

Letter from the President.

I am pleased to present Iberia's 2024 Sustainability Report. A year in which we have stayed true to our ongoing commitment to excellence, sustainability and innovation.

In May 2024, I took on the role of President of Iberia with a clear challenge: to build on and consolidate our strong financial and operational performance, support the development of Madrid as an airport hub on par with Europe's major gateways, and safeguard the competitiveness of our handling and maintenance businesses. I can humbly say that we have made meaningful progress in each of these areas.

First, we improved our financial performance. In 2024, IAG reported an operating profit before exceptional items of €4,443 million, a 27% increase compared to 2023. Iberia contributed €1,027 million to that total, with an operating margin of 13.6%, slightly above the previous year and a clear sign of continued strong profitability.

This margin was achieved in a year of 13% growth, during which we expanded our offer on key routes — particularly in Latin America— and reinforced our competitive position as the leading carrier between Europe and Latin America, with an 18% market share. Since 2019, our total seat capacity across all markets has increased by 16%.

These strong financial results are what have encouraged investors to place their trust in us, in our Group and in our company. They are the driving force behind our "virtuous circle", enabling us to invest in our people, enhance the customer experience, and make a positive contribution to society.

In 2024, we have continued working to improve Spain's connectivity and support the growth of its main airport, Adolfo Suárez Madrid-Barajas. The introduction of the new Airbus A321XLR—of which Iberia was the launch customer—has played a key role in enabling us to open new destinations. This aircraft not only strengthens our long-haul capacity but does so in a more sustainable and innovative way.

One of the major milestones of 2024 was the launch of direct flights to Tokyo, now Iberia's longest route, with a flight time of 14 hours outbound and 16 hours on the return. Due to the closure of Russian airspace and prevailing wind patterns, both legs of the journey follow an eastward route, effectively allowing for a round-the-world trip. The customer response to this new service has been overwhelmingly positive, with load factors exceeding 90%.

Tokyo wasn't our only new destination in 2024. During the summer season, we launched flights to Tirana (Albania) and Ljubljana (Slovenia), followed by three more in the winter: Tromsø (Norway), and Salzburg and Innsbruck (Austria). Additionally, for the second consecutive year, we operated flights to Rovaniemi in Lapland, the home of Father Christmas.

I mentioned excellence at the outset, and at an operational level, its highest expression—alongside safety—is punctuality. In 2024, both Iberia and Iberia Express were recognised as the most punctual airlines in Europe. We ranked second and third respectively in Cirium's On-Time Performance Report, the industry's most respected annual ranking.

This recognition is especially meaningful given the significant operational challenges the aviation sector faced in 2024: new regulatory constraints in European airspace, congestion at key airports served by both airlines, industrial action at some air traffic control centres, and a global shortage of spare parts.

Our pursuit of excellence also extends to the service we provide to our customers. While we cannot yet say we are completely satisfied in this area, I am fully aware that there is considerable room for improvement, and we are actively working on it. What I can say is that we are making every effort, every day, to do better. And we are truly grateful that these efforts are being recognised.

Iberia was honoured with the "Outstanding Food Service by a Carrier for Europe 2024" award at the PAX International Awards, in recognition of the quality of its products and its role as an ambassador for Spanish gastronomy. The airline also received the FIBEGA Award for Culinary Innovation.

We also received the Best Airline Staff in Europe award at the prestigious World Airline Awards 2024, often referred to as the "Oscars of aviation," organised by Skytrax, the leading international air transport rating organisation. In addition, we were honoured with the APEX Five Star Global Airline 2025 award, which recognises excellence in service across key aspects of the travel experience, including seat comfort, cabin service, food, in-flight entertainment, Wi-Fi availability, and lounge facilities.

As I mentioned, we remain committed to doing things better every day, and these awards motivate us to keep working with even greater enthusiasm and passion.

In the area of sustainability, we have also made notable progress. We are forging key partnerships to promote the production and use of Sustainable Aviation Fuel (SAF) in Spain. Alongside our partners across the value chain — including waste managers, SAF producers, aircraft manufacturers and airlines — we are convinced that Spain has a golden opportunity to become a leader in sustainable air transport. The emerging SAF industry in Spain could attract more than €22 billion in investment, create 270,000 direct and indirect jobs, and contribute €56 billion to GDP by 2050. Our commitment to using SAF in our operations is strong. In 2024, we also began using this fuel in our engine test bench.

At Iberia, we also strive to make a positive impact on society. Since we first took to the skies in 1927, our purpose has remained the same: to generate prosperity by connecting people with the world. We aim to deliver social value wherever we fly. For instance, our Madrid–Mexico City route supports 11,470 jobs—ranging from direct employment within the airline to indirect and induced jobs across the value chain. It also contributes €154 million to Mexico's GDP and nearly €60 million to Spain's. Similarly, our operations on the Madrid–Bogotá route help create around 15,000 jobs.

I never tire of saying that none of this progress would be possible without the dedication of the entire Iberia team. At the end of 2024, our workforce stood at 10,813 people, a slightly lower figure than the previous year due to the transition of handling staff to a newly created company, South Europe Ground Services. This new entity, fully owned by IAG and majority-owned by Iberia, ensures a sustainable and competitive future for our handling business and its employees.

This was the third of the objectives I mentioned at the start of this message, alongside our drive to enhance the competitiveness of Iberia Maintenance. That business closed 2024 with positive results across its main areas—Engines, Heavy Maintenance, and Components—consolidating its position as a benchmark for aeronautical maintenance in Southern Europe.

In 2024, we certified 205 engines—15% more than the previous year—and carried out over 180 heavy maintenance overhauls, maintaining a similar level to 2023. These figures reflect our customers' continued confidence in the experience and expertise of Iberia Maintenance. Additionally, we overhauled and/or repaired 28,000 aircraft components, again in line with the previous year.

As I said, none of this would have been possible without the people who make up Iberia. Fortunately, this year we welcomed 127 new pilots to our team and promoted 102 to commander. We also hired 452 new cabin crew members, 179 professionals in the Iberia Maintenance division, and 205 in the corporate area.

The groundwork Iberia laid in 2024 gives me full confidence in our ability to meet the challenges ahead.

We will continue to work to meet the needs of our customers and investors.

Best regards,

Marco Sansavini
Chairman of Iberia







P6	Iberia in two minutes
P48	A clear roadmap
P68	A compass to impact
P86	A journey in good company
P134	A more environmentally friendly journey
P156	Other relevant information



Chapter one. Iberia in two minutes.





Chapter one. Iberia in two minutes. Highlights.

Achievements in 2024.

- Iberia and Iberia Express were Europe’s most punctual airlines in 2024.
- Iberia is the leading airline between Europe and Latin America, offering direct flights to 18 destinations in 16 countries in the region.
- Iberia became the launch carrier for Airbus’ new A321XLR aircraft, enabling us to operate more sustainable transoceanic routes.

New destinations.

- New destinations in 2024 included Tokyo; Tirana and Ljubljana (summer); and Tromsø, Salzburg and Innsbruck (winter).

Iberia Maintenance.

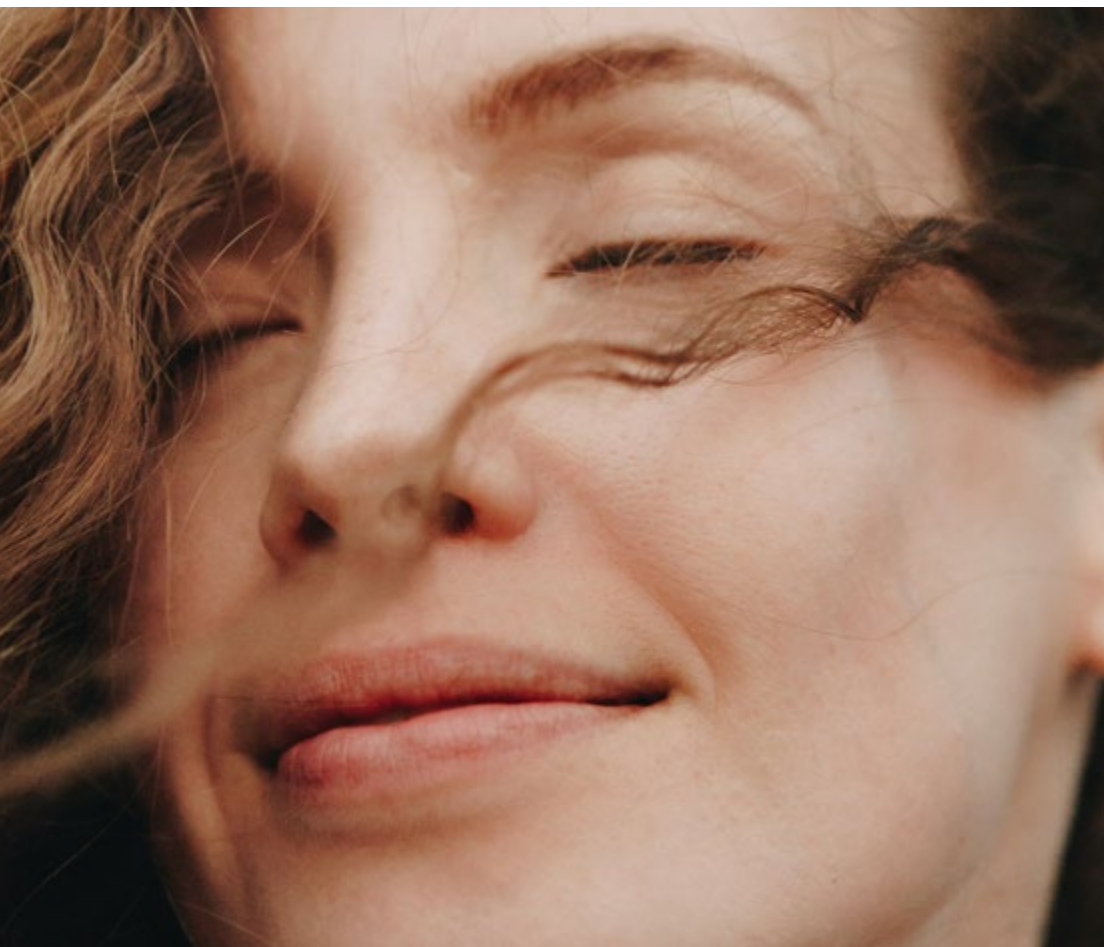
- In 2024, the Iberia Maintenance Training Centre celebrated its 20th anniversary as an EASA 147-certified facility, recognised by the Spanish Aviation Safety Agency (AESA).

Sustainability.

- Iberia Maintenance begins using sustainable aviation fuel (SAF) supplied by Moeve (formerly Cepsa) in its engine test bed.
- Iberia and Getting Greener install selfconsumption electricity plants in La Muñoza, generating annual energy savings of 8 million kWh.
- Iberia and Repsol partner with Inditex to use 5% SAF for the air transport of Inditex cargo.

Economic performance.

- Iberia’s operating profit before exceptional items, as reported in IAG Group consolidated financial statements, reached €1,027 million in 2024, an €87 million increase from the previous year.

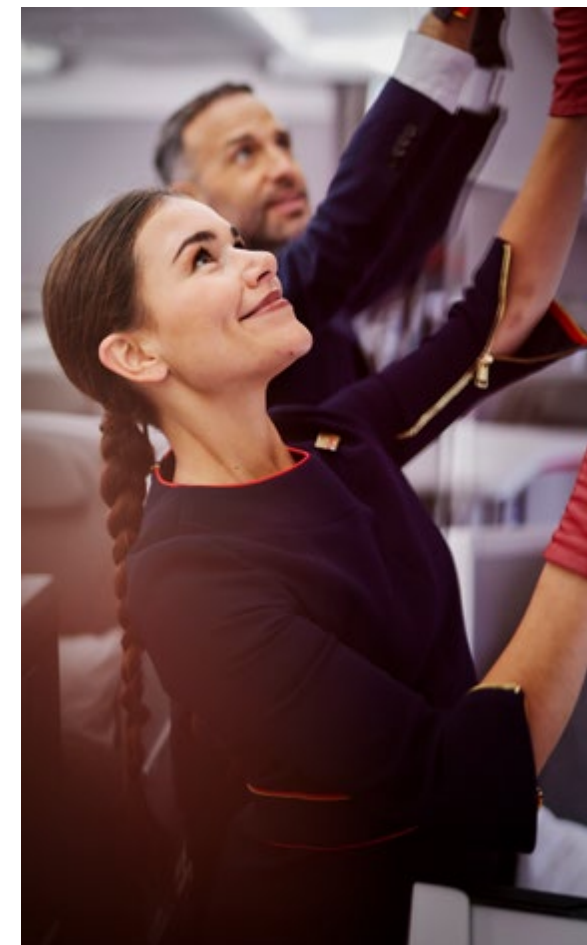


Context and trends.



The world as we know it is undergoing a profound transformation. While human history has weathered many periods of uncertainty and sweeping political and social change, never before have such shifts occurred at the speed we are witnessing today. Alongside geopolitical instability—driven by emerging conflicts, including those on the European Union’s borders—we face mounting environmental challenges linked to climate change and biodiversity loss, as well as deepening social transformations stemming from rising inequality. In response to these interconnected crises, the 2030 Agenda for Sustainable Development Goals, unanimously adopted by United Nations Member States in 2015, represents a shared global commitment to tackling these issues through a unified vision that calls upon governments, businesses, and society at large. In Europe, the shift toward a greener, more equitable economic model is being shaped by the European Green Deal, a comprehensive set of policy and regulatory initiatives aimed at achieving net-zero emissions across the EU by 2050. The Draghi Report (2024) echoes this ambition, outlining a new strategy for driving sustainable growth and enhancing Europe’s global competitiveness in an increasingly unstable world. At its core are two key objectives: reducing emissions and reindustrialising the European economy.

This complex landscape is not unfamiliar to businesses. Companies that align themselves with the Sustainable Development Goals not only reduce their negative impact but also create positive value for both the environment and society. Sustainability is also a key opportunity for differentiation. By taking the lead, companies can set the standard for others to follow, meeting increasingly stringent regulatory requirements, particularly in Europe, while contributing to a more sustainable, fair, and inclusive world.



This outlook naturally extends to the aviation sector. IAG, the airline group to which Iberia belongs, was the first in the world to commit to the Paris Agreement target of achieving net-zero emissions by 2050, a commitment that the wider industry later embraced through the International Air Transport Association (IATA). Since launching its Flightpath net zero strategy in 2019, IAG has invested over \$1 billion in emissions-reduction technologies. It remains firmly committed to advancing projects and initiatives that accelerate its ecological transition and doing so in a fair and inclusive way. Aviation is a vital service that ensures territorial connectivity and plays a key role in Spain’s tourism industry. It contributes 0.6% to national GDP and 0.9% to employment, while also improving quality of life. That’s why IAG’s commitment to a just ecological transition is unequivocal, backed by clear and ambitious targets, despite the complexity of reducing emissions in this sector. This necessary transformation also presents a unique opportunity for Spain. The promotion and development of a domestic sustainable aviation fuel (SAF) industry will not only help decarbonise aviation, but also generate wealth and employment, contributing to broader societal wellbeing.

We are at a paradigm shift, a pivotal moment in history marked by profound transformation. The companies that lead the transition to a sustainable model, backed by the right partnerships, will help shape the future of our society. The aviation industry of tomorrow—both near and long term—must be sustainable, decarbonised, and aligned with the common good. With that vision in mind, the steps being taken by the IAG Group aim to set the course for the entire sector.



Who we are.

[Iberia in two minutes](#)

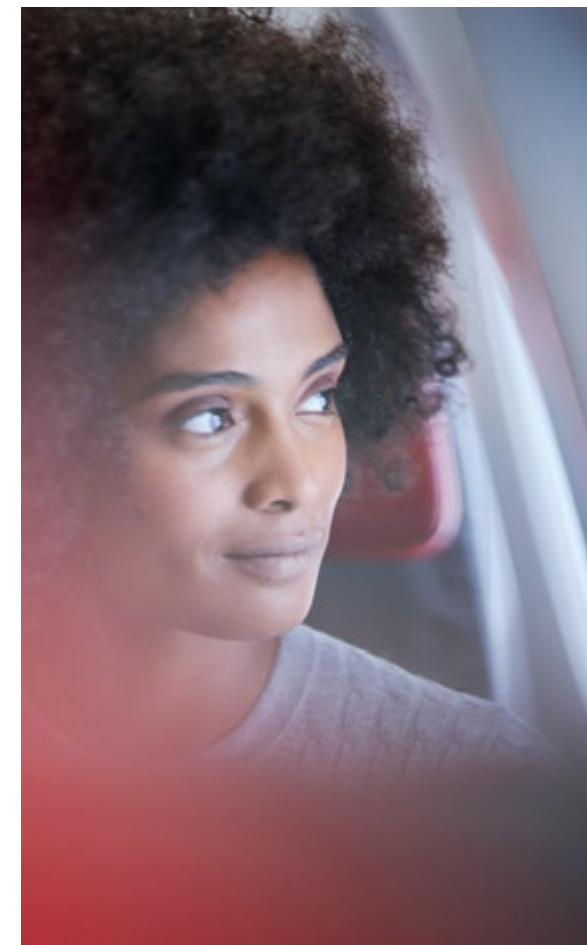
[A clear roadmap](#)

[A compass to impact](#)

[A journey in good company](#)

[A more environmentally friendly journey](#)

[Other relevant information](#)



Iberia has been flying from Spain for 97 years with a clear purpose: to generate prosperity by connecting people with the world. It is the leading airline for flights between Europe and Latin America, offering direct connections to 18 destinations across 16 countries in the region. Together with Iberia Express and Iberia Regional Air Nostrum, it operates a fleet of 166 aircraft and serves destinations in 50 countries from its hub at Madrid airport. Iberia is part of the IAG airline group, the first in the world to commit to net-zero emissions by 2050 and to using 10% sustainable aviation fuel by 2030. In 2024, Iberia was recognised as the second most punctual airline in Europe and the eighth most punctual globally.

In addition to air transport, Iberia also provides aircraft, engine, and component maintenance services, both for the IAG Group and for more than one hundred third-party companies. In 2024, Iberia Maintenance achieved positive results across its main areas—engines, heavy maintenance, and components—further consolidating its position as a leading provider of aeronautical maintenance in Southern Europe.

Specifically, 205 engines were certified in 2024, an increase of 15% compared to the previous year's total of 177. More than 180 heavy maintenance overhauls were also carried out, maintaining the same strong performance as the previous year and reflecting customer confidence in Iberia Maintenance's expertise. Additionally, over 28,000 aircraft components were overhauled and/or repaired, consistent with previous volumes. The division also expanded its capabilities by incorporating 40 new component families.

A key development since last year is that the Spanish company is now fully operational in the overhaul and repair of Pratt & Whitney GTF™ engines. This means Iberia Maintenance now services both Legacy Engines, such as the CFM56, V2500 and RB211-535, and the latest generation GTF™ models, offering customers a comprehensive 360° maintenance service.



Fleet renewal.

As of the 31 December 2024, the Iberia Group fleet comprised of 164 aircraft: 93 operated by Iberia, 25 by Iberia Express, and 46 by Iberia Regional Air Nostrum.

In 2024, we added two new aircraft to our fleet, an Airbus A350 and an A321XLR. Iberia became the first airline in the world to operate transoceanic routes with the new Airbus A321XLR, a narrow-body aircraft. As the global launch carrier for this model, Iberia now flies an aircraft with a range of up to 7,500 kilometres, combining long-haul capability with narrow-body efficiency. The A321XLR stands out as one of the most fuel-efficient aircraft on the market, achieving more than 40% fuel savings compared to traditional wide-body aircraft. Despite being a narrow-body aircraft, the A321XLR offers the same high standards of comfort as Iberia's other long-haul models, such as the A350. It features Airbus's new Airspace cabin and is configured with two travel classes—Business and Economy—accommodating a total of 182 passengers.

Our recommendation index (NPS).

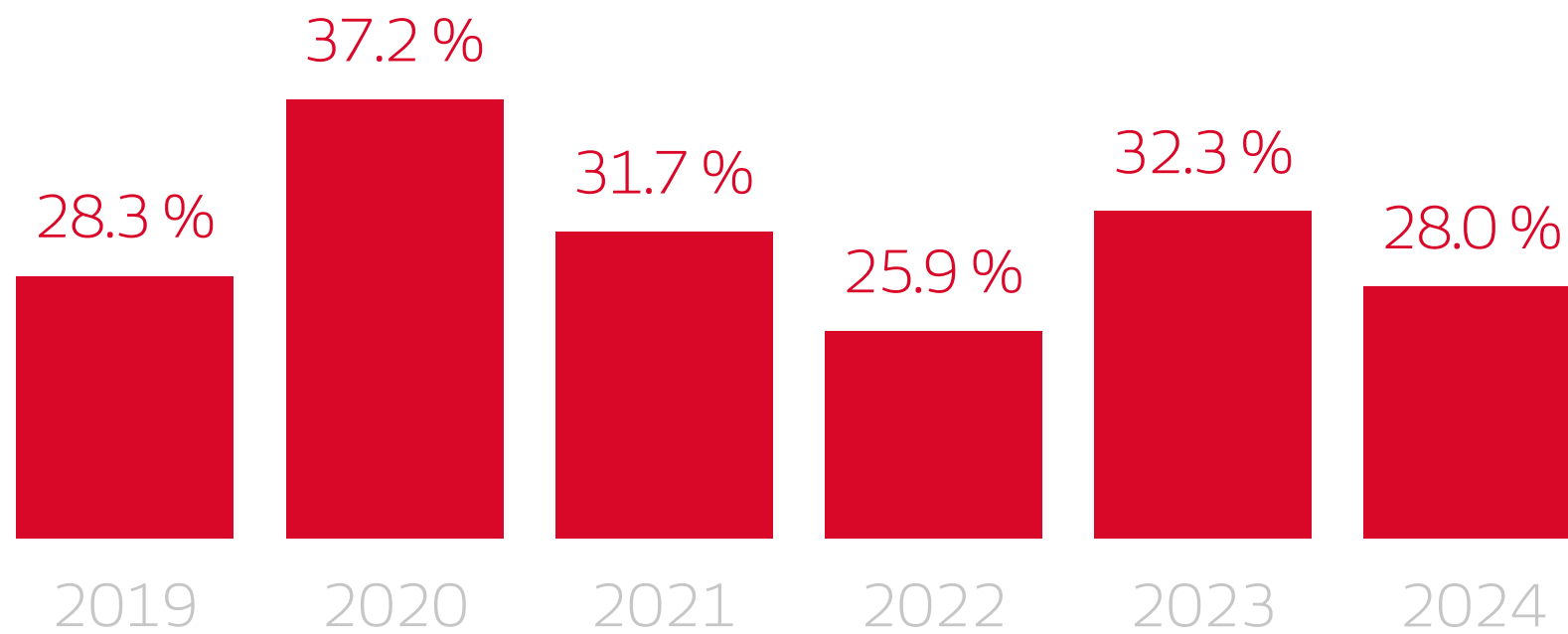
The Net Promoter Score (NPS) is our key customer experience indicator. It allows us to track day-to-day service performance, identify inconsistencies, and continuously enhance our product offering.

NPS is calculated from responses to a single survey question sent to customers after their journey: "How likely are you to recommend Iberia to a friend or colleague?". Responses are rated on a scale from 0 to 10, with 9–10 classified as promoters and 0–6 as detractors. The NPS is the difference between the percentage of promoters and detractors.

In 2024, our NPS results reflected high standards in both operations and service quality. Customers reported noticeable improvements in our onboard dining experience, which significantly outperformed 2023 ratings. Our two VIP lounges at Madrid Airport—the Dalí Lounge in Terminal 4 and the Velázquez Lounge in Terminal 4 Satellite—also received higher satisfaction scores. However, despite these gains, our overall NPS for the year fell short of our internal targets. Operational disruptions caused by airport congestion in parts of Europe, labour disputes at certain air traffic control centres, and a global shortage of aircraft spare parts all contributed to this shortfall.



Evolution of the NPS.





Punctuality.

In 2024, Iberia and Iberia Express were recognised as the most punctual airlines in Europe, ranking second and first respectively.

According to Cirium’s On-Time Performance Report—the industry’s most authoritative annual ranking— Iberia completed 183,268 flights, with 81.58% arriving on time, securing its position as the second most punctual airline in Europe and eighth worldwide.

Iberia Express achieved an on-time arrival rate of 84.69%, making it not only the most punctual airline in Europe overall but also the world’s most punctual low-cost carrier in 2024.

These achievements are especially commendable given the considerable challenges aviation faced during the year, including increasing regulatory constraints in European airspace, congestion at several key airports, industrial action at certain air traffic control centres, and a global shortage of aircraft spare parts.

	OTP* 2023	OTP* 2024	Target (fleet only)
Long haul	85.9 %	79 %	82 %
Short/medium haul	89.3 %	85.7 %	90.0 %
The entire network	88.6 %	84.2 %	

Note.
* OTP (on-time performance) is the standard industry measure of punctuality: a flight is considered on time if it arrives or departs within 15 minutes of its scheduled time.



Our certifications.

At Iberia, we are committed to the sustainable and efficient growth of our operations, generating wealth, creating jobs, and delivering quality service, while integrating sustainability into our business through ongoing improvements in environmental management and contributing to a fairer, healthier society.

Continuous improvement is a core part of our strategy. To support this, we maintain a range of certifications that help us measure progress, identify gaps, and stay on course to achieve our goals.

Certification	Scope	Collaborating entity
IEnvA Environmental Program Certification	Environmental Management System	IATA
Greenhouse gas verification	Flight and ground operations	SGS/TÜV SÜV
Social Accountability Management System, IQNet SR10	Air transport of passengers and cargo, and aircraft maintenance	AENOR
Sustainable Development Goals Strategy	ir transport of passengers and cargo, and aircraft maintenance	AENOR
Madrid Excelente	ir transport of passengers and cargo, and aircraft maintenance	AENOR
Occupational risk prevention system	All activities Iberia with an impact on PRL	Audelco



Membership and strategic alliances.

Iberia is an active member of several key associations within the air transport sector. In addition, it has established strategic alliances that add significant value, enhancing customer confidence and strengthening the Group's competitive position in the industry.



Oneworld.

- The oneworld alliance was established in 1999 and currently includes Iberia, British Airways, American Airlines, Alaska Airlines, Cathay Pacific, Finnair, Japan Airlines, Malaysia Airlines, Qantas, Qatar Airways, Royal Jordanian, Royal Air Maroc, and SriLankan Airlines, along with up to 24 affiliate carriers. The alliance is also in the process of integrating Oman Air and Fiji Airways, with full membership expected by 2025.
- The oneworld alliance is designed to deliver a seamless, high-quality travel experience, offering customers access to a global network of destinations along with a range of exclusive benefits and services. Travellers enjoy greater flexibility in planning their journeys, with more destination options, easier itinerary and fare combinations, smoother airport connections, increased access to airport lounges, and the ability to earn and redeem Avios across the entire alliance network. For member airlines, the alliance provides access to a broader customer base, helping to boost flight occupancy and generate additional revenue.
- Every day, oneworld airlines operate 12,000 flights, connecting travellers to nearly 900 destinations in more than 170 countries around the globe.

North Atlantic joint business venture.

- Under the joint business agreement for North Atlantic routes, Iberia, Aer Lingus, British Airways, American Airlines, and Finnair work closely together to enhance the value offered to customers and optimise the profitability of their combined network between North America (Canada, the USA, and Mexico) and Europe (the EU, Switzerland, Norway), as well as Israel, through revenue and selected cost sharing.
- The joint venture provides connections between approximately 160 European cities and over 250 destinations across North America, centred around strategic hubs such as Madrid, London, and Helsinki in Europe, and New York, Miami, Dallas, Chicago, Philadelphia, Charlotte, Los Angeles, and Phoenix in the United States. Iberia and its partners are working to make travel more seamless and rewarding, offering competitive fares across all five airlines, a variety of flight times to suit different needs, smoother connections, enhanced customer service integration, and the opportunity to earn more Avios across the network.



Other affiliations.

- Iberia, LATAM Perú and LATAM Ecuador are part of a joint business agreement covering routes between Europe and Peru and Ecuador, specifically Madrid–Lima and Madrid–Quito/Guayaquil. This agreement allows the airlines to jointly plan and manage the flights on these routes, sharing the benefits. Customers enjoy greater choice and flexibility when it comes to schedules and services, along with better connections and fares to a wider range of destinations from those airports.
- In October 2016, with the launch of flights between Madrid and Tokyo, Iberia became part of the Joint Business Agreement between Japan Airlines, British Airways and Finnair for routes between Europe and Japan (the Siberian Joint Business), which remains in place. This agreement enabled Iberia to reopen the Madrid–Tokyo route with direct flights starting from the 2024 winter season. The benefits of this partnership are mutual: for the alliance, Iberia's contribution is key to the market, providing a direct link between Spain and Japan; for Iberia, the support of Japan Airlines as a local partner in Japan has been essential. This collaboration allows us to offer our customers a highly competitive product with added advantages and benefits, such as a wider and better selection of itineraries across the network of all partner airlines, and the ability to choose the fares that best suit their needs (thanks to combinable fares offered by all partners).
- Since 2023, Iberia has been part of the world's largest joint venture, alongside Qatar Airways and British Airways, following the launch of the Madrid–Doha route and the addition of new frequencies to Qatar Airways' existing service. Through the key hubs of Madrid, London and Doha, the three strategic partners offer unparalleled connectivity between Spain and over 200 destinations across Asia, Australasia, the Middle East and Africa, with highly efficient connections. This joint venture strengthens access to and from Asia, unlocking a broad range of opportunities to enhance and diversify connectivity, boosting both tourism and business links.
- Iberia also maintains a franchise agreement with Air Nostrum, a company established on 23 May 1994 as the first private regional aviation initiative in Spain. In May 1997, Air Nostrum became Iberia's franchise partner under the name Iberia Regional–Air Nostrum. Today, it operates more than 220 routes across Spain, Europe, and North Africa. Air Nostrum also participates in the oneworld alliance as an affiliate member through Iberia.
- Iberia also has bilateral agreements in place, including code-share arrangements with 30 airlines, some of which are also members of the oneworld alliance. In the case of bilateral cooperation between Iberia and British Airways, passengers benefit from greater flexibility in combining fares and accessing cross-sales through both carriers, covering most long-haul destinations across the Americas, Africa, the Middle East and South Asia.
- IATA. Iberia is a member of the International Air Transport Association, an international organisation founded in 1945 that brings together 340 airlines responsible for 80% of global air traffic. Luis Gallego, CEO of IAG, sits on both its Chair Committee and Board of Governors.
- ALTA. Latin American and Caribbean Air Transport Association. Iberia is a member of the association as an associate company.
- A4E. Iberia (through IAG) has been a member of Airlines for Europe, the leading European air transport association, since its creation in January 2016.
- ALA. Iberia is a member of the Association of Airlines (ALA) operating in Spain. This organisation, founded in 1952, represents 85% of the country's air traffic, including the 10 airlines with the highest passenger volumes. ALA is made up of 71 national and international airlines across all business models. Iberia sits on the Association's Board of Directors and has held the Vice-Chairmanship since 2018.



- Iberia is a member of the Tourism Board (Mesa del Turismo), an association established in 1986 within IAG to promote private sector coordination, research and advocacy on the role of tourism in Spain. The company holds one of its vice presidencies.
- The Company is also a member of the governing board of the Air Transport Sustainability Alliance (Alianza para la Sostenibilidad del Transporte Aéreo), established in 2023 to promote the development of sustainable aviation in Spain from an environmental, economic and social perspective.
- AECFA. Spanish Association for the Coordination and Facilitation of Slots. AECFA is a private non-profit association currently composed of one airport manager (Aena S.A.) and fourteen airlines. Iberia has been a member of AECFA and part of its Board of Directors since its creation in 2014. AECFA provides slot coordination and facilitation services to airlines and airports in a neutral, transparent and non-discriminatory manner, with the aim of optimising capacity usage at congested Spanish airports.

IAG.

International Airlines Group is one of the world's largest airline groups, with a fleet of 601 aircraft, operating flights to 259 destinations in 91 countries and employing more than 74,000 people globally. The company is based in Spain and its shares are listed on both the London Stock Exchange and the Spanish stock markets. The group includes five airlines: Aer Lingus, British Airways, Iberia, Level and Vueling; and two non-airline businesses: IAG Loyalty and IAG Cargo.

IAG has a unique business model within the airline industry: it serves as the parent company of the Group and maintains close, ongoing collaboration with its portfolio of operating companies to generate synergies and maximise results. Its independence from the airlines it owns allows for objective, flexible and agile decision-making, and enables the implementation of strategies aligned with the Group's long-term vision. Meanwhile, the operating companies can concentrate on their target customers, competitive landscape and employees. All airlines within the Group operate on a shared integrated platform, which boosts efficiency and simplicity. This structure enables each airline to meet its own performance goals while preserving its distinct identity.



Iberia Express.

In 2024, Iberia Express consolidated its position as the leading low-cost carrier in Madrid, becoming the third-largest operator at the airport and the top airline on routes to the Balearic and Canary Islands.

With nearly 8.5 million seats offered, Iberia Express operated over 44,000 flights and carried 7.7 million passengers, all record-breaking figures in its 13-year history, consolidating its role as the Iberia Group's low-cost airline. This achievement reinforces the purpose for which Iberia Express was created: to support the Iberia Group's growth plans by feeding its long-haul network and competing with low-cost carriers in Europe.

Iberia Express has reached these volumes primarily by increasing utilisation of its fleet of 25 aircraft. It achieves outstanding efficiency levels, especially considering that it operates a hybrid model: offering both point-to-point services and, at the same time, ensuring connectivity with Iberia's departure and arrival banks to feed its international network.

— The world's most punctual low-cost airline.

Aware that punctuality is one of the most valued attributes for customers, Iberia Express has made it one of its key hallmarks. In 2024, it was recognised as the most punctual low-cost airline in the world and ranked first among all European airlines, with an on-time arrival rate of 84.69%, according to Cirium's On-Time Performance Report, the industry's leading annual punctuality ranking.

Throughout the year, Iberia Express has introduced significant improvements aimed at delivering an excellent customer experience. Among the most notable is the renovation of its in-flight service, which has been a key driver in increasing customer

recommendation scores. In collaboration with its catering partner, the airline has transformed its onboard dining into an innovative offering that combines high-quality ingredients with avant-garde cuisine to suit a variety of tastes and needs. In addition, two new fare options have been introduced for passengers travelling to or from the Canary Islands, allowing them to bring their flight forward on the same day, either from Madrid or at their point of origin, offering greater flexibility and convenience.



- Voluntary purchase of approximately 8,000 tonnes of Sustainable Aviation Fuel (SAF).

One of the major milestones for Iberia Express in 2024 was the purchase of SAF, sustainable aviation fuel that reduces emissions by up to 80 per cent over its life cycle. The airline voluntarily purchased 1,000 tonnes of SAF at Gran Canaria airport and nearly 6,700 tonnes in the Balearic Islands: 3,270 in Mallorca, 2,012 in Ibiza and 1,384 in Menorca. This total volume, which represented 3 per cent of the fuel consumption on Iberia Express flights subject to the ReFuelEU Aviation regulation, enabled the airline to voluntarily exceed the regulation's target of using 2 per cent SAF by 2025.

The use of SAF, combined with an efficient fleet of A320 and A321neo aircraft and continuous improvements in operational efficiency, are the main initiatives Iberia Express is implementing to reduce its environmental impact. In 2024, the airline achieved an 8 per cent reduction in CO₂ emissions intensity (gCO₂/pkm) compared to 2023, and a 19 per cent reduction compared to 2019.

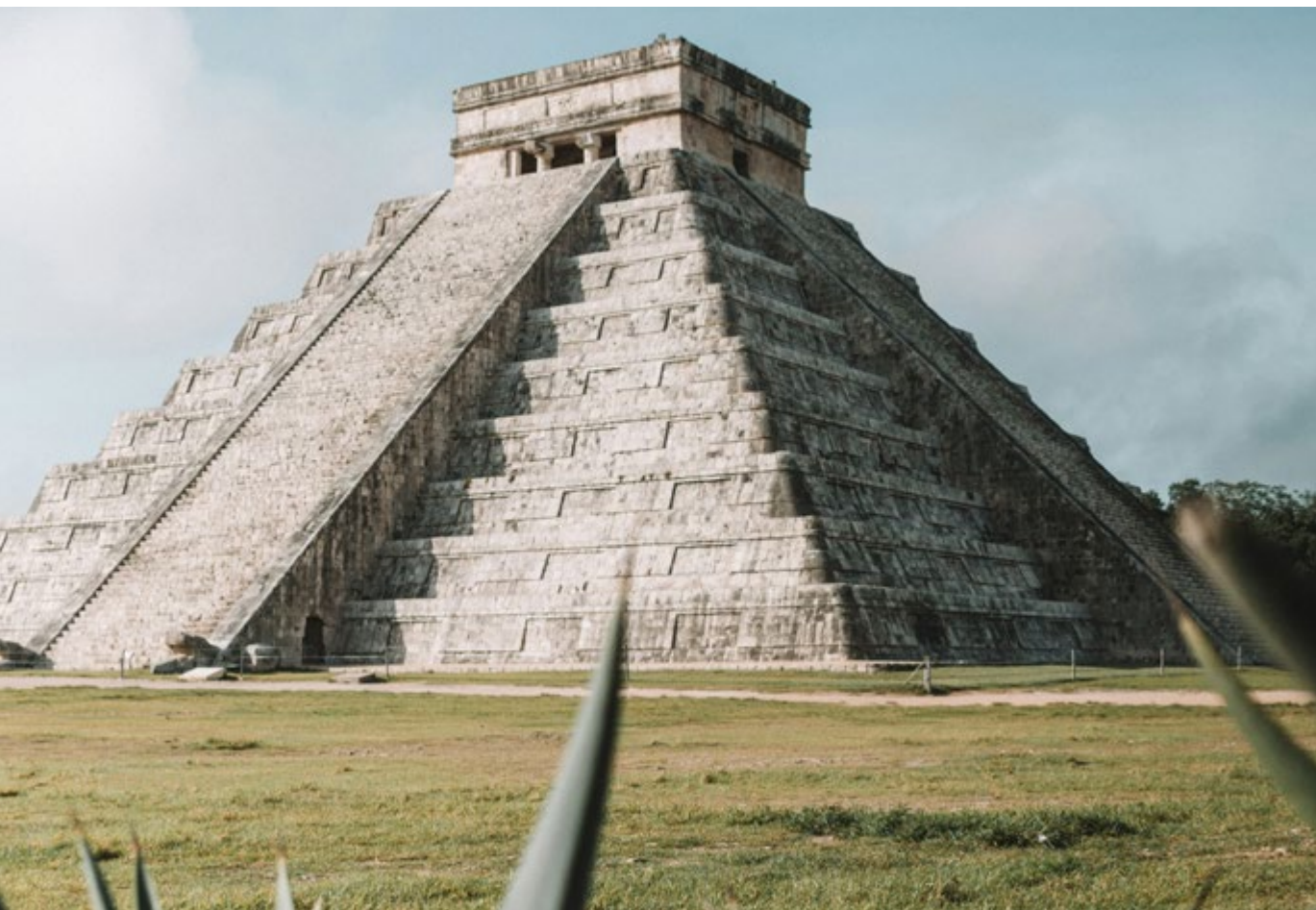
- 1.2% of the Canary Islands' GDP and 1.5% of total employment in the region.

Nearly 40 per cent of Iberia Express operations are on routes to and from the Canary Islands. In 2024, as part of its commitment to the region and to assess its economic impact, the airline conducted a study of its contribution to the Canary Islands' GDP and employment. The results show that Iberia Express has a significant effect on the region's economy: its total contribution (direct, indirect, and induced) to the Canary Islands' GDP reached €117 million in 2023, with an impact on the local labour market of over 2,455 jobs. Moreover, considering the activity generated by the spending of visitors flown to the islands by Iberia Express, the total economic impact amounted to €530 million in GDP and helped sustain more than 12,700 jobs. Altogether, both the airline's operations in the Canary Islands and the related visitor spending generated an economic impact equivalent to 1.2% of the archipelago's GDP and accounted for 1.5% of its total employment in 2023.

- Focus on diversity and training.

Iberia Express has a workforce of 936 employees and promotes an inclusive workplace culture. In recent years, it has placed a strong focus on achieving gender equity in leadership roles. Women make up more than 56% of the workforce, the Iberia Express management committee has gender parity, and an increasing number of women are taking on and excelling in strategic and technical positions, including professionals with STEM backgrounds.

As part of its Plan de Personas (People Plan) and in support of Iberia Express's cultural transformation, the airline delivered over 320 training placements in 2024, focusing on leadership development, such as leader-coach programmes, personal excellence, and people management, as well as language training, all aimed at enhancing employees' professional skills and fostering internal talent.



Impact generated.



Socio-economic Impact Calculator.

To measure the positive impact generated in the regions where we operate, in 2024 we published Iberia's Social Impact Report, which laid the groundwork for our socio-economic impact calculator. This tool enables us to assess the company's economic contribution and job creation across all our routes. The initiative began to take shape in June 2023, in collaboration with consulting firm Transcendent, through a pilot project measuring and showcasing our economic, social and environmental impact on three selected routes: Mexico City (Mexico), Bogotá (Colombia) and Miami (United States).

The main impacts analysed—both in Spain and at Iberia's various destinations—included the generation of direct, indirect and induced employment, as well as contributions to the tourism sector's GDP. In addition to internal company data, the analysis drew on information from sources such as Oxford Economics, IATA, and the World Tourism Organization. The tool also provides visual insights, including the number of weekly flights, the population of each country, and the total number of tourists arriving at Iberia destinations.

Some of the routes analysed.

Our route between Madrid and Mexico City generates a total of 10,990 jobs, including direct employment within our company, indirect employment through the value chain, and induced employment. It also contribute more than €92 million to Mexico’s GDP and nearly €245 million to Spain’s GDP.

		128M Population	41.9M Tourists	42 Weekly Flights
		Impacts on		
		MAD-MEX route	SPAIN	MEXICO
Employement generation	10,99 mil Total Employment Generated	319 Total Direct Employment	270 Direct Employment	49 Direct Employment
		5,33 mil Total indirect Employment	1.767 Indirect Employment	3.562 Indirect Employment
		5,34 mil Total induced employment	3.754 Induced Employment	1.601 Induced Employment
Economic & Business Growth		337,1 mill. € Contribution national GDP	244,95 mill. Contribution GDP	92,12 mill. Contribution GDP

To give another example, Iberia’s operations on the Madrid–Bogotá route support the creation of nearly 23,000 jobs.

		52 mill. Total habitants	5,6 mill. Total tourists	34 Weekly Flights
		Impacts on		
		BOG-MAD route	COLOMBIA	SPAIN
Employement generation	22,95 mil Total Employment Generated	201 Total Direct Employment	8 Direct Employment	193 Direct Employment
		5,68 mil Total indirect Employment	4.416 Indirect Employment	1.265 Indirect Employment
		17,07 mil Total induced employment	14.193 Induced Employment	2.880 Induced Employment
Economic & Business Growth		400,6 mill. € Contribution national GDP	212,11 mill. Contribution GDP	188,50 mill. Contribution GDP

Finally, it is worth noting that, at the end of 2024, a verification process of our methodology for calculating Iberia’s socio-economic impacts was initiated with AENOR, in order to ensure the quality of the information included in our Social Impact Report and impact measurement tool.





How can Spain become the European leader in SAF?

In September 2024, Moeve (formerly Cepsa), Iberia, Iberia Express, Vueling and BIOCIRC (the Spanish Biocircularity Association) presented a report outlining 16 economic, regulatory, and public-private collaboration measures aimed at accelerating the production and use of sustainable aviation fuel

(SAF). This alternative fuel, which significantly reduces the environmental impact of aviation by lowering CO₂ emissions, could position Spain as a European leader in this emerging technology and in sustainable tourism.

Spain has exceptionally favourable conditions for the production of SAF, representing a major opportunity for the national economy. For this reason, the four entities have proposed turning the development of SAF into a strategic national project, positioning Spain as a European hub and a leader in both sustainable tourism and the energy transition.

The report “How to make Spain the European leader in SAF? Roadmap to accelerate the reduction of emissions from air transport” highlights that developing this new sustainable fuel industry will require an estimated investment of €22 billion to build production facilities and could generate up to 270,000 direct, indirect and induced jobs by 2050. The construction phase alone could contribute €13 billion to Spain’s GDP, with a further €42.85 billion linked to the operation of these facilities through to 2050, in addition to the associated investment and employment during this period.

The report stresses the need to establish a stable regulatory framework that provides certainty to all stakeholders, enabling them to invest with confidence in this emerging industry. It also underlines the importance of jointly sharing the required investments and associated cost increases to ensure that SAF becomes a viable and sustainable solution in the short term, given that its current price is three to five times higher than that of fossil-based kerosene. Furthermore, the report highlights the need to develop innovative production technologies and deploy industrial facilities with sufficient capacity to meet demand, thereby leveraging the full potential of domestic raw materials.

The study highlights that, although the announced production capacity of SAF using the currently most widespread technology—HEFA—may be sufficient to meet demand by 2030, it would be far from adequate to cover the projected needs by 2040, particularly with regard to synthetic e-SAF fuels derived from green hydrogen.

To ensure energy independence and reduce emissions from Spain’s aviation sector—while guaranteeing access to aviation fuels through to 2050—the construction of three HEFA biofuel plants, five synthetic fuel plants, and at least 24 SAF production facilities using Alcohol-to-Jet (AtJ) and Fischer-Tropsch (FT) technologies would be required. The report also highlights the importance of locating SAF production sites near feedstock sources, which would not only support emission reductions but also promote social and economic development in rural areas. It therefore calls for a clear and supportive regulatory framework to enable the necessary investments, along with incentives to foster the development of new technologies essential to meeting post-2030 targets.



The report highlights the importance of coordinated agreements among the various stakeholders across the value chain—including public administrations—to ensure the sustainable development of the industry. It therefore calls for the streamlining of permits and authorisations, the development of airport infrastructure, and the creation of a European mechanism to ensure the traceability of SAF. The report also points to the difficulties in accessing the different types of waste required as raw materials, due to their highly fragmented availability and the lack of a centralised body to facilitate their management, as well as the absence of incentives or obligations to support these efforts.

€300 million fund to support the uptake of SAF.

Among the proposed measures is the creation of an annual fund of over €300 million to finance the development of production facilities and incentivise the consumption of SAF, using revenue generated by the State through the auctioning of emission allowances.

The report estimates that, under the current roadmap, the incorporation of SAF in Spain will entail an additional cost of €5.045 billion by 2040, rising from €68 million in 2025 to €678 million in 2030. If this extra cost is not mitigated through measures such as those outlined in the roadmap, it would ultimately fall on the aviation sector and end consumers. In Spain, one third of the Next Generation EU funds—more than €70 billion—has been allocated to the Green Deal. However, there is currently no specific allocation for emissions reduction in the aviation sector or the SAF industry.

The report also outlines a series of accompanying measures aimed at driving progress across the entire value chain, with the goal of establishing a comprehensive support strategy that encompasses economic, fiscal, regulatory, and cross-cutting aspects. In this context, the companies behind the report are calling on the Spanish Government to commit to a national pact that recognises the strategic opportunity represented by SAF for the country, one that should be reflected in a national strategy positioning this new energy vector at the forefront of Spain's energy and industrial policy.



Key achievements in 2024¹.



We strive every day to
overcome the challenges
we face and celebrate the
success of reaching our goals.







**Marco Sansavini, Iberia's
new president.**

In May 2024, Marco Sansavini was appointed Chairman of Iberia, taking on three key challenges: consolidating the company's outstanding financial and operational results, ensuring the competitiveness of the handling business—through the creation of a new company—and strengthening the maintenance business.



Fleet: Iberia, global launch carrier of the new A321XLR

In November 2024, Iberia became the launch carrier for Airbus's new A321XLR aircraft.

This addition strengthens the airline's long-haul fleet and introduces a more sustainable and innovative way to operate transoceanic routes using a narrow-body, that is, a single-aisle aircraft.

The A321XLR will enhance Iberia's network—particularly in the Americas—by combining extended range with greater flexibility, allowing the airline to match fleet deployment more efficiently to the specific demands of each market.

In 2024, we also took delivery of an A350 Next. Equipped with the latest technology and designed for maximum efficiency, this aircraft enhances comfort across all cabins, offering greater privacy, increased space, and new lighting environments. It also features state-of-the-art in-flight connectivity and entertainment, allowing customers to enjoy a fully immersive flying experience.

The Iberia Group's fleet currently comprises of 165 aircraft: 94 operated by Iberia (from the A350, A330, and A320 families), 25 by Iberia Express (A320 family), and 46 by Air Nostrum.



Punctuality.

Iberia and Iberia Express were recognised as Europe's most punctual airlines in 2024. Iberia has been ranked as the second most punctual airline in Europe, according to Cirium's On-Time Performance Report, the industry's leading annual punctuality ranking. In 2024, Iberia operated a total of 183,268 flights, 81.58% of which arrived on time. As a result, the airline once again ranks among the world's top ten most punctual carriers, placed eighth globally.

Meanwhile, Iberia Express topped the European rankings with an on-time arrival rate of 84.69%, a result that also positioned it as the world's most punctual low-cost airline in 2024.

These figures are particularly noteworthy given the complex challenges faced by the aviation sector this year, including regulatory constraints in European airspace, congestion at several airports served by both airlines, labour disputes at certain air traffic control centres, and a global shortage of spare parts.

Agreement reached with SEPLA.

In August, Iberia and the Spanish Airline Pilots Union, SEPLA, reached an agreement marking a significant step forward in the 10th Collective Bargaining Agreement, extending its validity until the 31st of December 2027. The outcome of the negotiations introduces a model that enables the company to share its benefits with employees more effectively.

Thanks to this agreement, pilots will receive additional income not only based on the company's financial performance, but also upon achieving targets related to operational excellence, such as punctuality, NPS (customer satisfaction rating), and productivity.



Destinations.

In 2024, Iberia set a new record for connectivity between Europe and Latin America, offering over 5.3 million seats and operating 320 flights per week between the two regions. Total capacity grew by 16.4% compared to the previous year and by more than 20% versus pre-pandemic levels in 2019.

This year also brings the addition of new destinations to Iberia's network, including Tokyo—its longest route—operated three times per week. With flight times of 14 hours outbound and 16 hours inbound, both legs fly eastbound due to the closure of Russian airspace and prevailing wind patterns, meaning customers complete a full round-the-world trip.

During the summer season, Iberia has added Tirana (Albania) and Ljubljana (Slovenia), while the winter schedule includes Tromsø (Norway), Salzburg and Innsbruck (Austria). Additionally, for the second consecutive year, the airline is flying to Rovaniemi, in Lapland (Finland), the home of Father Christmas.





Espacio Iberia.

For the third consecutive year, we opened our pop-up store in Madrid—this time on one of the city's most iconic streets: Gran Vía.

Spanning 1,100 square metres across two floors, the space offered customers an immersive Iberia experience. Visitors could explore the airline's history by stepping inside a recreation of its first aircraft, enjoy virtual reality experiences, and discover the onboard service of the new-generation A350s across all three cabin classes: Business, Premium Economy, and Economy.

In addition, visitors were able to participate in wine, beer, coffee and product tastings of the destinations the airline flies to, and to attend activities and meetings of the Talento a Bordo (Talent on Board) programme.

In the four months that Espacio Iberia was open, more than 110,000 people enjoyed the experience without getting off the ground: 4,000 visitors tasted the menus, almost 6,000 took the controls of the flight simulator and 25,000 boarded the model of the Rohrbach Roland, the first aircraft in the history of Iberia.

Espacio Iberia Mexico.

The international destination to which we took Espacio Iberia this year was Mexico City, in the emblematic Polanco neighbourhood.

More than 9,000 people visited Espacio Iberia during the 21 days it was open. 1,500 visitors were able to sample the in-flight menus while sitting in the seats of Iberia's new A350, more than 5,000 people tried on the airline's historic uniforms and had their photos taken with them, and almost 1,200 people took the controls of a flight simulator to take off and land a plane from Mexico City.

In addition, around fifty wine, ham, beer, Spanish tapas and showcooking tastings were held, which were attended by some 1,300 people.

Several Mexican and Spanish radio stations also broadcast their programmes from Espacio Iberia, as well as events with partners such as LALIGA, the Premios Platino (Platino Awards) and UNICEF, among others.



Training.

Iberia and the UPM (Polytechnic University of Madrid) have signed an agreement to create a new University-Business Chair at the School of Aeronautical and Space Engineering (ETSIAE): the Iberia Chair in Aeronautical Research. This initiative will support both academic and research activities.

Fourth edition of the Cadets programm.

At the end of April, Iberia launched a new edition of its Cadet Programme in collaboration with the prestigious pilot training school FTEJerez (Flight Training Europe Jerez). The aim is to identify the most promising candidates and provide them with financial support throughout their training.

Third edition of the “Quiero Ser” (I Want to Be) programme.

Thirty-four girls aged between 14 and 18 had the opportunity to learn first-hand about professions such as maintenance technician, pilot, and aeronautical engineer. As part of the programme, they visited the CAE flight simulators, the engine workshop, and Hangar 6, where Iberia carries out maintenance on its own aircraft as well as those of more than one hundred client airlines. The goal of the initiative is to promote careers in aeronautics among young women.

Aula Iberia, at the UPM.

Iberia and the UPM (Polytechnic University of Madrid) have inaugurated Aula Iberia, a space designed as a meeting point to strengthen ties between academia and the professional world. It offers students at the School of Aeronautical and Space Engineering (ETSIAE) a unique opportunity for hands-on learning and career guidance, drawing on the knowledge and experience of Iberia’s top professionals.

20th anniversary of the MRO training centre.

The Iberia Maintenance Training Centre celebrated its 20th anniversary as an EASA Part-147 approved centre, certified by the Spanish Aviation Safety and Security Agency (AESA). This approval enables the centre to deliver type training to professionals holding aircraft maintenance licences in the categories of Mechanics (B1) or Avionics (B2), allowing them to add new type ratings (aircraft-engine) to their licences. This step is a prerequisite for becoming an authorised aircraft certifier, qualified to certify the return to service of an aircraft after maintenance work has been carried out within their approved scope.

Planeta Formación y Universidades.

Planeta Formación y Universidades, the higher education network of Grupo Planeta, has signed an agreement with Iberia to promote the mobility of Colombian students. Under this agreement, students travelling from Colombia to Spain to enrol in programmes offered by the network—which includes 22 educational institutions worldwide and more than 150,000 students of over 100 nationalities—will benefit from a travel discount.



Acknowledgements.

Outstanding Food Service by a Carrier for Europe 2024 at the PAX International Awards.

Iberia received the award for Outstanding Food Service by a Carrier for Europe 2024 at the PAX International Awards during the Aircraft Interiors Expo and the World Travel Catering and Onboard Services Expo.

Each year, the readers of the trade magazine PAX International choose the best companies in the industry in seven categories: in-flight food, catering, in-flight duty free, in-flight entertainment and connectivity, cabin innovation, seating and lounges.

The high quality of the products used by Iberia and its role as an ambassador for Spanish gastronomy were two of the main reasons why readers selected Iberia. The Spanish airline's menus, prepared by Do&Co, are based on Spanish cuisine, and are made using local and seasonal products whenever possible.

Best Airline Staff in Europe at the Skytrax World Airline Awards.

Iberia won the top award for Best Airline Staff in Europe at the prestigious World Airline Awards 2024, known as the Oscars of aviation, organised by Skytrax, the international air transport ratings organisation.

APEX Five Star Global Airline Award.

Iberia has been awarded the prestigious 2025 APEX Five Star Global Airline Award for excellence in customer service. This award is given by the Airline Passenger Experience Association, one of the most prestigious aviation organisations in the world. The world's leading airline company, responsible for assessing the quality of passenger service on airlines around the world. This considers key aspects of the travel experience, ranging from the comfort of the seats, the service offered in the cabin, the food, the in-flight entertainment system, the availability of Wi-Fi and the VIP lounges.

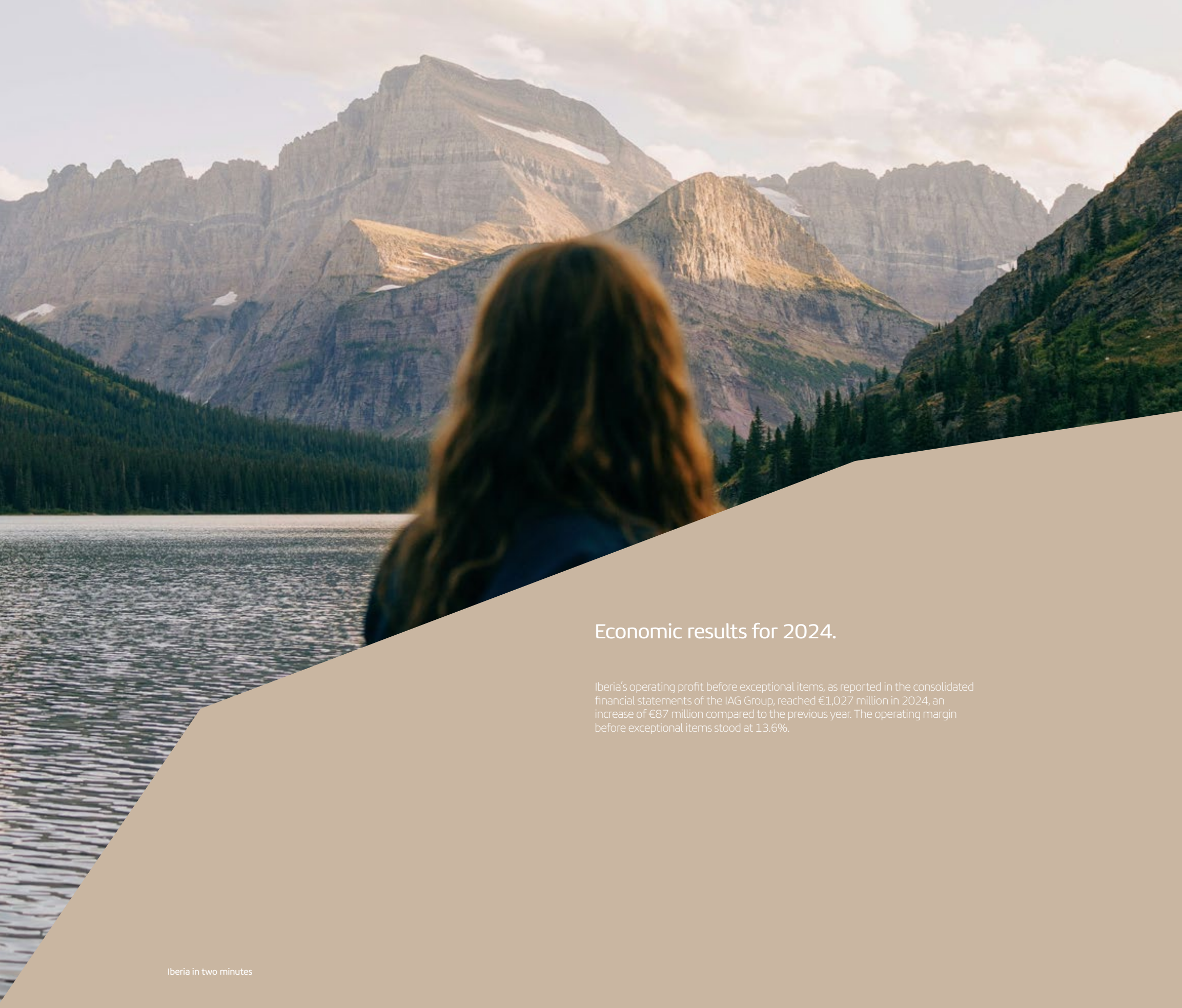
FIBEGA Award for Culinary Innovation.

Iberia has once again received an award for the gastronomic service it offers its customers in-flight. The airline has received the award for culinary innovation for its gastronomic menus onboard at the FIBEGA Gastronomy Tourism Awards 2024. These awards recognise innovation, excellence and the impact of gastronomy tourism globally as a cultural and economic driver.

Sustainability.

- Iberia Maintenance begins using sustainable aviation fuel (SAF) from Moeve (formerly Cepsa) at its engine test bed.
- Iberia and Repsol sign an agreement with Inditex to incorporate 5% SAF in the air transport of its cargo.
- Airbus, Aena, Air Nostrum, Iberia, Exolum, and Repsol join forces to explore the creation of Spain's first hydrogen airport hub.
- Moeve (formerly Cepsa), Iberia, Iberia Express, Vueling, and BIOCIRC promote SAF as a national project to lead sustainable air transport.
- Iberia and Getting Greener install self-consumption solar power systems at La Muñoza, generating annual savings of 8 million kWh.





Economic results for 2024.

Iberia's operating profit before exceptional items, as reported in the consolidated financial statements of the IAG Group, reached €1,027 million in 2024, an increase of €87 million compared to the previous year. The operating margin before exceptional items stood at 13.6%.

Direct economic value generated €M	2024	2023
Recurring operating income	6,705	6,413
Operating income (including non-recurring)	6,705	6,413
Financial assistance received from governments	*	*

Direct economic value generated €M	Spain	Rest of Europe	America	Rest
Recurring operating income	3,225	1,131	2,231	119
Operating income (including non-recurring)	3,225	1,131	2,231	119

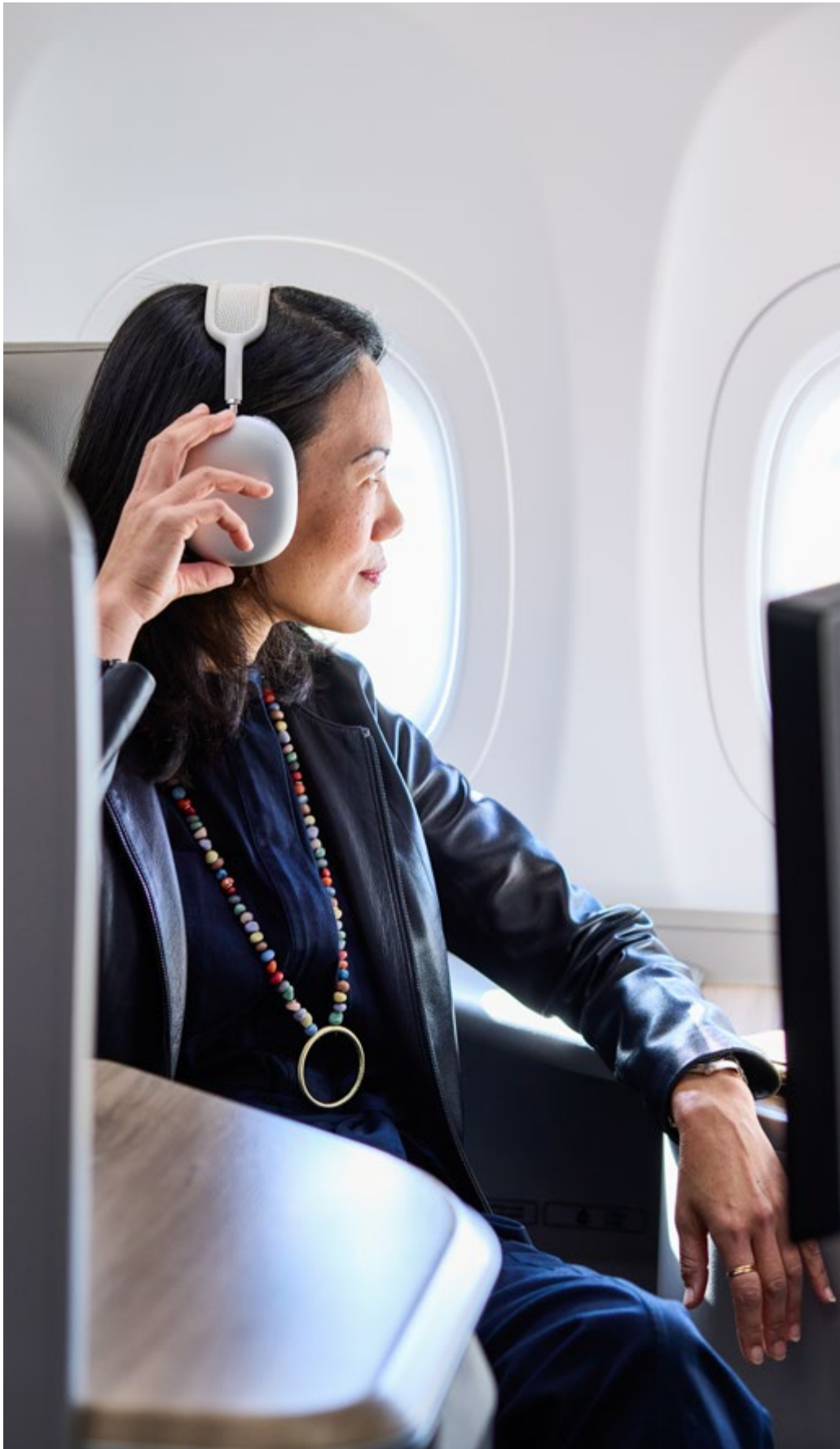
Economic value distributed €M	2024	2023
Operational expenditure	6,372	6,025
Including non-recurring items	6,372	6,025
Total expenditure on salaries and employee benefits	979	1,171
Total company pension plan endowment	25	48
Total amount paid to Social Security	195	253
Airport and navigation fees	405	358
Assessed taxes	968	1,082
Community investments	0	0

Note.

* €2.1M received from official training subsidies, €0.6M received as compensation for flights between Madrid and Mahón, €4.8M from R&D&I tax deductions.

Economic value distributed €M	Spain	Rest of Europe	America	Rest
Expenditure on salaries and employee benefits	926	12	40	1
Operating expenses (including non-recurring)	5,161	292	889	30

Evolution of the main activity indicators	2024	% 2024 vs 2023
Revenue Passengers Kilometres (RPK) Passenger demand (millions)	71,756	15,00 %
Available Seats Kilometres (ASK). Passenger capacity / supply (millions)	81,726	14,00 %
Revenue Tonne Kilometres (RTK) Cargo and passenger demand (millions)	1,254	16,00 %



Research, development and innovation activities.

Iberia continues to invest in R&D&I as one of its core strategic priorities. Notable projects include those with a strong technological component that contribute to improving operational efficiency, as well as initiatives focused on enhancing the customer travel experience through innovative solutions involving digitisation, virtual reality, and artificial intelligence.

From a tax incentive perspective, Iberia applied a corporate income tax deduction of €4.8 million in 2024 for R&D&I activities, to be accounted for in the 2023 tax year.

In terms of public funding, the following projects are currently under evaluation by the CDTI (Centre for the Development of Industrial Technology), part of the Spanish Ministry of Science and Innovation:

- TIG WELDING. A new welding centre for blades and vanes on the high-pressure compressor (HPC) of V2500 aircraft engines. Iberia will oversee the implementation, certification, and testing of this new TIG welding facility, which will enable in-house repair of HPC blades for the latest generation of V2500 engines. This represents a completely new added-value maintenance service that Iberia can offer to airlines operating in Spain, across Europe, and internationally.
- BALANCING MACHINES. New state-of-the-art balancing machines for GTF PW1100 engine overhauls. The main objective of this project is to equip the engine workshop with two advanced balancing systems—one vertical and one horizontal—for use on various sections of aircraft engines. These systems will support not only conventional engine models, but also the latest-generation engines such as the GTF and LEAP.
- INDEP. Development of a new Internal Developer Platform (IDP) for applications. The goal is to increase the efficiency and productivity of development teams while reducing their cognitive load.

In addition, during this period, the CDTI has certified the completion of the following projects:

- TOLERANCES. Design and development of adjustment, balancing, and machining solutions for the maintenance of GTF engines. Through the creation of these new solutions, Iberia aims to perform the full range of maintenance tasks required for the innovative GTF engines, positioning itself at the forefront of the sector in servicing this engine type.
- IRIS-TAM. Development of a new turn-around control system, “TAM”, designed to digitally manage all the processes and activities that take place from the moment an aircraft lands until it takes off again.

On the other hand, Iberia remains firmly committed to environmental stewardship and continues to implement initiatives aimed at reducing its environmental impact. In this context, the company has submitted several energy efficiency investments for verification and certification under the Energy Saving Certificates (CAE) scheme, following the procedure established by the Ministry for Ecological Transition and Demographic Challenge.

The CAE is a mechanism that enables the monetisation of energy savings by recovering part of the cost of efficiency-related investments, initiatives that in 2024 led to savings of over 200 GWh.

Iberia has also invested in upgrading hangar lighting to LED systems, replacing equipment in its maintenance, repair, and overhaul (MRO) operations, and incorporating a new fleet of more modern, fuel-efficient aircraft.

In parallel, the company has continued expanding its use of electric ground vehicles throughout 2024, reinforcing its commitment to energy efficiency and emissions reduction.

Figures representing Iberia’s activity in 2024.

Market	Number of destinations in 2024
Europe	64
Domestic	40
Latin America	18
Africa	9
Asia	2
United States	8
Total	141

- At its Madrid hub, Iberia accounts for 40% of total activity at Adolfo Suárez Madrid-Barajas Airport, measured in Available Seat Kilometres (ASK).
- Latin America remains Iberia’s main market, with flights connecting Europe to 18 destinations across 16 countries in the region.
- In the domestic market, Iberia ranks second, with 26% of total activity, measured in ASK.
- As in previous years, more than half of Iberia’s total production, measured in ASK, is dedicated to routes to and from Latin America.



Chapter two. A clear roadmap.







Chapter two. A clear roadmap. Highlights.

Purpose.

- Iberia has been flying from Spain since 1927 with the same mission: “to generate prosperity by connecting people with the world”.
- Iberia’s operations contribute 0.6% of Spain’s GDP and account for 0.9% of national employment.

Sustainability.

- Iberia contributes, through its sustainability strategy, to the fulfilment of the following Sustainable Development Goals of the UN Global Compact:



360° security.

- All Iberia employees receive regular training in cybersecurity and data privacy.

Innovation.

- Innovation is a key driver of Iberia’s growth and sustainability strategy.
- The company has conducted over 15 proof-of-concept initiatives with leading startups and scaleups to address challenges in the aviation sector.
- Iberia is a member of All4Zero, the industrial technology innovation hub focused on reducing emissions from industrial activity.
- Iberia is also a founding partner of Patio Campus, a platform designed to connect companies, startups, and key players in the innovation ecosystem.



Purpose.

Iberia in two minutes

A clear roadmap

A compass to impact

A journey in good company

A more environmentally friendly journey

Other relevant information



A company's purpose goes beyond its core business: it's about the value it brings to the community. No single company can solve all the world's challenges, but every brand is called upon to contribute meaningfully to society.

Iberia has been flying from Spain since 1927 with the same guiding purpose: "to generate prosperity by connecting people with the world". While remaining true to this mission, the airline has continually adapted its strategy. In the years ahead, it will focus on strengthening its competitive position in all the markets where it operates, while ensuring long-term profitability.

True to its purpose, Iberia has spent 97 years giving new meaning to the act of flying, demonstrating that connectivity is essential to society. Examples of this include repatriation flights, collaboration with the ONT National Transplant Organisation, services for unaccompanied minors, transport of humanitarian aid and vaccines, support for Spanish and Spanish-language talent, and contributions to landmark cultural events. These efforts reflect Iberia's enduring commitment to the communities it serves.





Sustainability and materiality strategy.





Sustainability strategy.

Iberia was founded in 1927 with a clear purpose: “to generate prosperity by connecting people with the world”. This statement is rich in meaning and intent. Aviation is a strategic sector in Spain, not only because it ensures territorial connectivity, but also because it plays a vital role in the country’s tourism industry. The sector creates substantial social impact: Iberia’s activity alone contributes to 0.6% of Spain’s GDP and 0.9% of national employment. Iberia connects Spain to the world, generating wealth, providing quality employment, and creating value for society.

However, Iberia recognises that aviation, like any economic activity, has an environmental impact that must be minimised. The greenhouse gas emissions generated during flights—primarily CO₂, but also methane (CH₄), nitrous oxide (N₂O), and others—pose a significant challenge. Compounding this is the fact that reducing emissions in aviation within the timeframe required by scientific consensus and international and European regulations is especially complex.

Aware of its responsibility to drive progress and societal wellbeing while minimising its environmental footprint, Iberia has developed an ambitious sustainability strategy that integrates environmental and social dimensions as inseparable components. We combine the most advanced measures for emission reduction in aviation—including fleet renewal, operational efficiency, and a commitment to new technologies, particularly Sustainable Aviation Fuel (SAF)—with a robust impact measurement framework and strategic collaborations with NGOs, public-private partnerships, and business alliances to improve and expand our results.

These environmental and social efforts are fully aligned with the principles of good governance that underpin our corporate strategy, ensuring Iberia’s long-term sustainability in the context of the 21st century.

The sustainability
strategy has two pillars

Environment

Social impact

The 2030 Agenda and the 17 Sustainable Development Goals.

As a company committed to sustainable development, Iberia joined the United Nations Global Compact in 2004. Since the adoption of the 2030 Agenda by the UN General Assembly in 2015, we have embraced the commitment to help achieve the 17 Sustainable Development Goals (SDGs).

Iberia is certified by AENOR for its “Sustainability strategies and projects and their contribution to the Sustainable Development Goals”, in accordance with AENOR Specific Regulation E09.02 (certificate issued on 06 March 2024).

Within this framework, Iberia contributes, through its sustainability strategy, to the achievement of the following goals:

- SDG 3 – Good Health and Well-being: Through initiatives to reduce emissions, manage waste, and promote customer health and hygiene.
- SDG 5 – Gender Equality: By implementing people development initiatives with a particular focus on empowering women.
- SDG 8 – Decent Work and Economic Growth: Through talent development programmes grounded in equality and respect for human rights.
- SDG 9 – Industry, Innovation and Infrastructure: By upgrading facilities and accelerating the digitisation and modernisation of internal processes.
- SDG 10 – Reduced Inequalities: Promoting social inclusion and equal opportunities for all individuals.
- SDG 11 – Sustainable Cities and Communities: Through actions aimed at improving air quality and reducing noise pollution.
- SDG 12 – Responsible Consumption and Production: By enhancing waste management and reducing the use of single-use plastics.
- SDG 13 – Climate Action: Implementing measures to reduce emissions generated by the company’s operations.
- SDG 16 – Peace, Justice and Strong Institutions: Through staff training and the development of internal anti-corruption and transparency policies.
- SDG 17 – Partnerships for the Goals: By fostering collaboration through public-private partnerships and engagement with the third sector.

In Chapter 6.3 – ESG Progress and Contribution to the Sustainable Development Goals, this report outlines the progress made on key ESG indicators and targets, as well as their alignment with the Sustainable Development Goals and their corresponding targets.

We are members of the following national and international initiatives:

- Spanish Network of the United Nations Global Compact.
- United Nations Sustainable Development Goals (SDGs).
- Spanish Green Growth Group.
- Fundamental Conventions of the International Labour Organization (ILO).
- OECD Principles of Corporate Governance.
- Companies for a Society Free of Gender Violence Programme, led by the Ministry of Equality.
- Global Code of Ethics for Tourism, promoted by the World Tourism Organization (UNWTO).

Double materiality analysis and stakeholder groups.

In 2024, IAG conducted a double materiality analysis in collaboration with sustainability consultancy Transcendent, to identify the Group's highest-priority issues in terms of both impact materiality and financial materiality, in line with the requirements of the Corporate Sustainability Reporting Directive (CSRD). The CSRD defines double materiality as comprising of: Financial materiality, which considers how sustainability issues affect the company's results and future outlook; and Impact materiality, which assesses the company's effects on people and the environment. Impact materiality considers the following stakeholders: customers, employees, suppliers, shareholders, credit institutions and other financial actors, the environment, public administrations, and society at large.

This analysis was carried out in accordance with the European Sustainability Reporting Standards (ESRS) and builds on IAG's previous materiality assessment from 2021. According to the ESRS, materiality is determined through the identification and assessment of impacts, risks, and opportunities (IROs), which are then grouped by topic.

Methodology.

The double materiality analysis incorporated input from all IAG operating companies. It identified the impacts, risks, and opportunities (IROs) relevant to commercial activities at IAG's hubs and across its global operations. The assessment also considered the goods and services provided throughout IAG's value chain. IAG evaluates strategic risks over three-time horizons: short term (up to three years), medium term (three to five years), and long term (more than five years). The timeframes used in this materiality assessment align with those applied in IAG's risk management process, which assesses the potential impact of key risks on the Group's business plan over a three-year period.

Process.

1. Identification of sustainability issues.

Sources used included IAG's 2023 CNIS (non-financial information statement), sustainability reports from its operating companies, third-party ESG ratings, and findings from the OHI and employee engagement surveys. Following a detailed analysis and review by the IAG sustainability team, 23 sustainability topics were identified and aligned with the topics defined under the CSRD. This list was submitted to the Safety, Environment and Corporate Responsibility Committee of the Board of Directors for review.

2. Identification of impacts, risks and opportunities (IROs).

Specific IROs were identified using a bottom-up approach, informed by a series of workshops with subject matter experts from IAG and its operating companies. Through a comprehensive review, a total of 164 preliminary IROs were identified, including 82 impacts, 58 risks, and 24 opportunities. These IROs were categorised under 21 sustainability topics, aligned with the 10 ESG standards as defined in the ESRS.

3. Evaluation of IROs.

Impact materiality: The impact materiality assessment was conducted through interviews with over 60 experts from IAG and its operating companies, including representatives from the sustainability, people, government affairs, finance, risk management, and customer and legal teams.

IAG applied a points-based scoring system aligned with its internal risk assessment methodology. Each impact was evaluated based on clearly defined criteria for magnitude and a percentage-based likelihood of occurrence. Impacts were scored in accordance with the CSRD assessment criteria considering scale: the severity of the actual or potential impact; scope: the number of people or extent of the area affected; irremediability: the extent to which the impact can be reversed or restored; and likelihood: the probability of the impact occurring. The final impact materiality scores were calculated as averages, with each sustainability issue represented by its highest impact score.

The financial materiality analysis was carried out using a top-down approach by the finance, risk management, and sustainability teams. Risks and opportunities were evaluated in accordance with the CSRD's financial materiality criteria. Each item was scored based on the magnitude of the financial impact (considering potential changes in revenue, capital expenditure, or operating costs), and the likelihood of occurrence, using a specific scoring model aligned with IAG's risk framework. The financial materiality and timeliness scores were calculated as averages, with each issue represented by its highest risk impact score. For IROs not currently included in the formal risk assessments by IAG's risk management team, and for opportunities (which require benefits to be quantified), a qualitative analysis was carried out using the best available financial data.

4. Identification and communication of material issues..

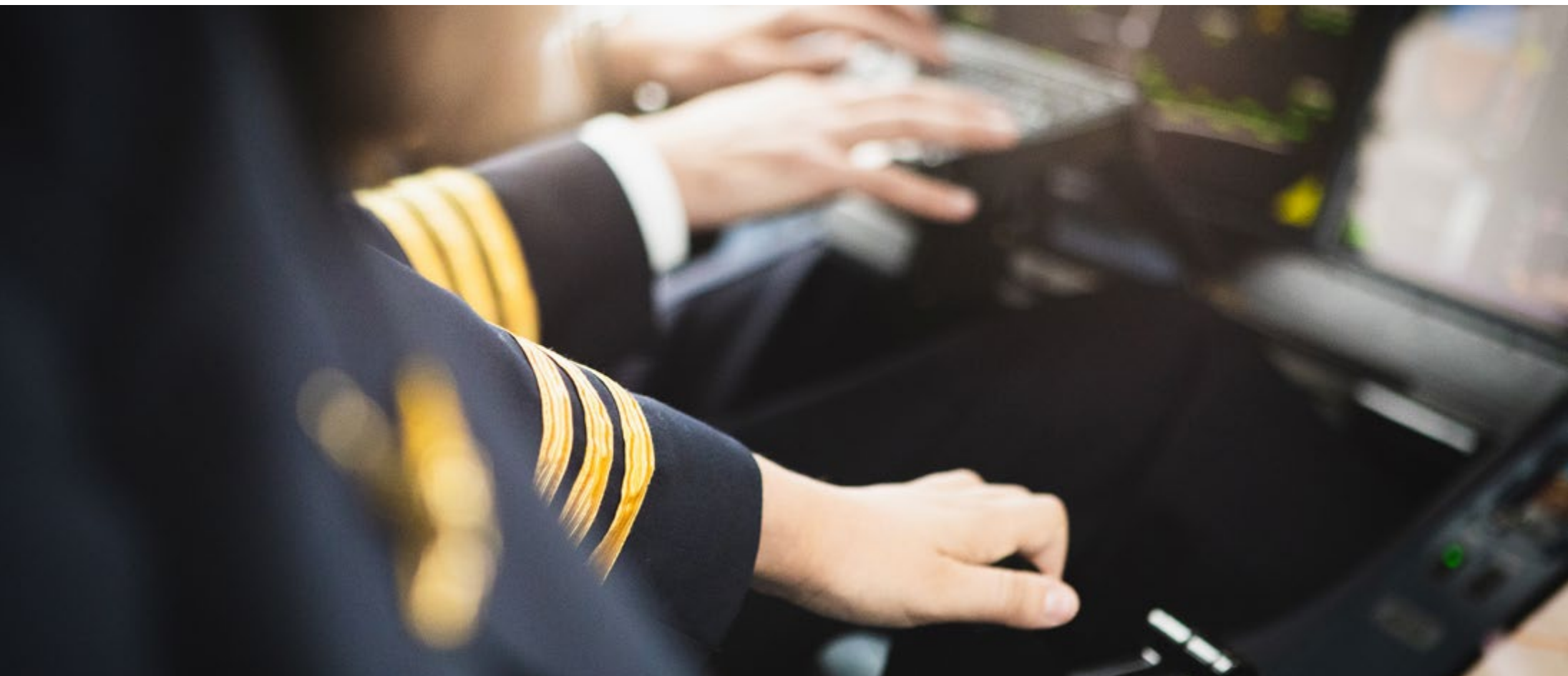
A core group of experts from IAG's finance, risk, and sustainability teams, including the chief financial and sustainability officer, reviewed the results of the double materiality analysis. This group defined "critical" as the threshold for determining material issues, aligning it with IAG's existing classification of "critical" risks as used in the Group's risk management framework. The final results of the double materiality assessment, including the materiality threshold, were formally approved in November 2024 by both the Sustainability, Environment and Corporate Responsibility Committee and the Audit and Compliance Committee.



Results.

Iberia has identified the following nine material topics, as defined under the ESRS.

Dimension/Theme	Definition	Impact, risk or opportunity	Location in the value chain
Environmental			
Climate change and emissions management	CO2 emissions (Scope 1 and 2) from aviation operations	Negative impact	Own operations
	Emission reductions using SAF	Positive impact	Own operations and previous stages
	Emission reductions through fleet renewal	Positive impact	Own operations
	Emission reductions through participation in market-based measures	Positive impact	Own operations and previous stages
Air pollution	Reduction of pollutant gas emissions (non-CO2) from both aircraft and of ground equipment through proactive maintenance, modernisation of fleets and the implementation of operational procedures	Positive impact	Own operations
Waste and circular economy	Efficient management of operational processes in line with the principles of a circular economy	Positive impact	Own operations
Social (Internal)			
Diversity, Equity and Inclusion (DEI)	Inclusive culture	Positive impact	Own operations
	Diverse workforce	Positive impact	Own operations
	Equal opportunities and equity for all	Positive impact	Own operations
Remuneration and working conditions	Social dialogue and collective bargaining	Positive impact	Own operations
	Fair, sustainable and competitive conditions	Positive impact	Own operations
Social (External)			
Customer experience	Connecting people, businesses and countries	Positive impact	Subsequent stages
	Improved customer experience through investment in new products	Positive impact	Subsequent stages
	Improved customer experience through loyalty programmes	Positive impact	Subsequent stages
	Informed customer decisions	Positive impact	Subsequent stages
Business conduct			
Ethical practices and regulatory compliance	Whistleblower protection	Negative impact	Own operations and previous stages
Responsible supply chain	Ensuring ethical supplier practices	Negative impact	Previous stages
	Unfavourable working conditions in the supply chain	Negative impact	Previous stages
	Inequalities in treatment and opportunities for suppliers' workers	Negative impact	Previous stages
	Violation of human rights standards in supply chains	Negative impact	Previous stages
	Sustainability embedded in overall business strategy	Positive impact	Own operations
Corporate governance	Establishment of internal sustainability governance bodies	Positive impact	Own operations
	Economic incentives for managers linked to carbon efficiency	Positive impact	Own operations



360° security.



Operational safety.

The safety of our operations is our ultimate commitment to our customers and our employees and the first hallmark of our excellence.

For a company like Iberia, dedicated to serving society, safety is the fundamental pillar of our strategy and daily operations. It represents a corporate responsibility shared across the organisation, from front-line staff to top management.

Operational safety is a continuous, ongoing process that cuts across all areas of the company horizontally and spans the entire organisational structure vertically. But above all, it is a way of thinking and acting, a philosophy that drives the implementation of the highest standards and innovations, both technological and human. It connects all systems and processes, incorporates a deep understanding of the operational environment, and integrates predictive and preventive programmes.

While safety must, of course, reach the end user, it must begin within the company itself. This starts with ongoing training and upskilling of our workforce through personalised and continuous development programmes, ensuring we maintain a team that is always prepared. Enhancing our simulation capabilities, integrating the latest technologies, and developing robust action protocols—both in-house and in coordination with relevant authorities—are all part of our daily routine.

Maintaining a responsible and safe organisation is nothing new to us. It is in our DNA and has been a defining characteristic for 97 years. Our ongoing challenge is to keep evolving through continuous improvement to remain at the forefront, in an increasingly competitive and sustainable world.

Our strong commitment to investing in the most advanced technologies also improves the efficiency of our operation, and, by extension, supports our sustainability goals.



A clear roadmap

Data privacy and information security.

The importance of a strong governance framework for effective management.

At Iberia, security is part of our DNA, and that includes the protection of our digital assets, which contain sensitive information that must be managed responsibly.

To ensure this, we have implemented a comprehensive set of information security and data privacy policies, procedures, and manuals. These are aligned with current regulations and based on clear principles and guidelines designed to safeguard information effectively.

The ultimate goal is to establish appropriate and proportionate measures to protect data and manage risks to the security of our networks and information systems, ensuring their confidentiality, integrity, and availability at all times.

At Iberia, the Data Protection Officer (DPO) oversees compliance with the General Data Protection Regulation (GDPR) and all other relevant data protection laws in the countries where we operate. The DPO is part of the legal department and reports directly to a member of the Iberia Management Committee. The DPO provides quarterly updates on the status of the privacy programme to the Management Committee and reports twice a year to the Board of Directors.

The data protection team is responsible for reviewing all initiatives involving the processing of personal data, in line with the privacy by design principle. Their responsibilities include carrying out privacy impact assessments, maintaining records of processing activities, and conducting third-party due diligence, among other tasks.

Cybersecurity: at the heart of Iberia’s secure DNA.

As part of Iberia’s firm commitment to technology, and in an increasingly complex and regulated environment where cyberattacks pose a constant threat, cybersecurity plays a central role in the airline’s digital strategy.

To ensure alignment between protection measures and business goals, Iberia has strengthened its local cybersecurity capabilities by integrating teams directly within both business and technology functions. In today’s landscape, threats to cybersecurity and privacy continue to evolve, from cybercrime and hacktivism to state-sponsored attacks, industrial espionage, insider risk, and human or technical error.

Iberia has implemented a comprehensive cybersecurity framework, with clear principles and procedures for responding to security incidents. This ensures that all incidents are correctly identified, classified, and reported to the appropriate internal teams, and to relevant authorities when required. A standardised system for incident classification supports more effective coordination and communication across the organisation.

To reinforce this, Iberia provides targeted training and awareness initiatives to help employees identify potential threats and respond appropriately, including knowing who to contact and what actions to take.

Training and awareness at the core: privacy and security are everyone’s responsibility.

All Iberia employees receive mandatory training on cybersecurity and data privacy when they join the company, with annual refreshers to maintain ongoing awareness. In addition, in-person sessions are held for specific employee groups whose roles involve handling significant volumes of personal data. These sessions are tailored to the particular privacy and security challenges relevant to their responsibilities.

Iberia’s intranet also includes dedicated sections on cybersecurity and privacy, providing employees with regular updates, practical tips, and useful documentation to help embed these issues into their day-to-day work.

Privacy and security by design and by default.

At Iberia, we strive to embed privacy and security into every project from the outset, beginning with the planning and design stages. This proactive approach helps prevent vulnerabilities and strengthens the protection and management of information and personal data.

By integrating cybersecurity requirements into our products and services from day one, we reduce the risk of attacks, safeguard sensitive data, identify potential weaknesses, and support proactive risk management.

As part of this strategy, all third-party suppliers with whom we have contractual relationships undergo a review to ensure compliance with Iberia’s data protection and security standards. This ensures a clear and comprehensive view of our external partnerships from both a data processing and cybersecurity standpoint.

Cybersecurity and privacy: key milestones reached in 2024.

In 2024, Iberia undertook several initiatives to further strengthen its cybersecurity and privacy practices. Key milestones achieved during the year include:

- Adaptation to new standards: We aligned our policies and procedures with updated guidelines and regulatory frameworks issued by Spanish and European authorities. This ongoing effort remains a top priority.
- Review of data processing activities: All personal data processing operations were reassessed to identify associated risks and, where necessary, to implement new mitigation measures.
- Deployment of a new breach management module: A dedicated tool was introduced to improve the handling of data breaches, considering data flows and regulatory reporting obligations.
- Enhanced third-party management: Oversight of the supply chain was strengthened, particularly regarding how third-party suppliers handle personal data related to Iberia customers and employees. In 2025, this will be further localised, focusing on critical suppliers and helping them securely adapt their processes.
- Initial alignment with the EU AI Act: Iberia began the process of aligning with the new European AI Regulation, incorporating cybersecurity and privacy considerations from both risk and compliance standpoints.
- Operational improvements: Several cybersecurity operations were refined in coordination with business areas, leading to increased efficiency and expanded coverage through the identification of new use cases.
- Training and awareness: Our security culture was reinforced through annual mandatory training, role-specific sessions for key teams, and phishing simulations to boost resilience to common threats.
- Commitment to continuous improvement: As part of our quality management strategy, we reinforced ongoing improvement practices, further solidifying our commitment to robust information security.
- Security aligned with business needs: Cybersecurity initiatives were brought into even closer alignment with operational requirements, ensuring protection strategies address real-world risks while minimising business disruption.
- PCI-DSS certification renewal: Iberia renewed the PCI-DSS certification for its online platform, iberia.com, maintaining compliance for secure payment processing through the end of 2024, following initial certification in 2023.



Innovation.



At Iberia, innovation is a key driver of both growth and sustainability. In 2024, we continued to strengthen our capabilities across multiple areas of the business, building essential assets that accelerate transformation and enhance competitiveness. Our innovation teams work cross-functionally with business units to improve processes, elevate the customer experience, and develop disruptive solutions that help keep Iberia at the forefront of the aviation industry.



Research.

Research has become a key pillar of our innovation strategy. To gain a deeper understanding of our customers, we conducted several studies in 2024 involving over 25,000 Iberia customers. This research capability has allowed us to identify emerging behaviours and trends, enabling not only improvements to the customer experience but also the adaptation of our business strategy to evolving market expectations. These insights support more informed decision-making across business areas, driving both efficiency and customer satisfaction.

Design.

Design is also a core pillar of our innovation strategy. Our team of product and service designers works hand-in-hand with Iberia's operational, technology, commercial and customer teams to create products, services and experiences that deliver real value, for customers, employees and the business alike. In 2024, we supported the rollout of cross-functional initiatives aimed at improving critical airline processes such as aircraft turnaround, disruption management and baggage handling. These efforts included investments in digital tools that equip our operational teams with real-time data and insights to work more efficiently and effectively.

Digital Factory.

The Digital Factory continues to play a pivotal role in Iberia's digital transformation. In 2024, we focused on identifying and digitising critical airline processes to drive greater efficiency and effectiveness. By leveraging technologies such as Office 365 and Robotic Process Automation (RPA), we've automated repetitive tasks and streamlined operations. Additionally, the launch of a new Generative AI (GenAI) squad has opened up fresh opportunities to apply artificial intelligence across key business areas, enhancing both agility and decision-making accuracy.

Open Innovation.

Iberia remains firmly committed to open innovation, collaborating with top startups and scaleups to address key challenges in the airline and travel industries. We actively seek out innovative partners who bring emerging technologies and fresh perspectives to help us fulfil our purpose, build strategic assets, develop disruptive new business models, and enhance the customer experience.

In 2024, we launched more than 15 proof-of-concept initiatives focused on connected operations, video analytics to monitor customer flow (e.g., in VIP lounges), and waste analytics. We also explored new sales solutions, such as an airport payment app that enables transactions without traditional POS terminals. Additional highlights include initiatives to improve accessibility through tools like Háblalo, and the integration of alternative payment methods in Latin America, such as MercadoPago via our LACAR platform.

Hangar 51.

Iberia once again took part in Hangar 51, IAG's global innovation accelerator. This year, we collaborated with six international startups on projects ranging from engine maintenance using computer vision and artificial intelligence (AI), to initiatives aimed at enhancing operational and aircraft safety. We also explored innovative sales experiences, including the integration of reel-style content within the Iberia app to boost customer engagement.

All4Zero.

All4Zero, the industrial technology innovation hub founded by ArcelorMittal, Holcim, Iberia, and Repsol, launched its first open call in 2024, focusing on five key challenges: efficient carbon capture and emissions reduction; securing water resources; improving the efficiency of renewable hydrogen production; generating SAF (Sustainable Aviation Fuel) and other renewable fuels; and CO2 mineralisation and the use of materials derived from waste. The call attracted strong interest both nationally and internationally, with 186 proposals submitted in response to these initial technology challenges aimed at reducing emissions from industrial activity.

On 20 June 2024, the hub unveiled the 12 technology solutions selected to help reduce emissions and promote a circular economy, accelerating the transition toward a more sustainable, decarbonised industrial model. These selected solutions address the five key challenges identified: water resource management, renewable hydrogen production, CO2 capture and utilisation, waste management, and the production of SAF and other renewable fuels.

All4Zero is currently advancing these technologies through the development of proof-of-concepts (PoCs), which will be tested in the laboratories and industrial facilities of the hub's founding partners, in collaboration with expert technologists and scientists from leading industrial companies. This initiative reinforces All4Zero's commitment to transformation and emissions reduction by fostering innovation and collaboration between startups, research centres, and universities, driving global progress towards achieving net-zero emissions by 2050.

This progress by All4Zero has been supported by all the companies and organisations involved in the project, including Enagás, Aitex, Exolum, Hijos de Rivera, Sacyr, Técnicas Reunidas, Urbaser, Magna, and Airbus, which have recently joined the initiative. Also participating are the hub's collaborators, such as Tecnalia, IMDEA Energía, CIAE (the Iberian Energy Storage Research Centre), CENER (the National Renewable Energy Centre), CSIC (the Spanish National Research Council), Eurecat, and Idonial.

Patio Campus.

PATIO Corporate Innovation & Startup Campus is an open corporate innovation initiative co-founded by Iberia, with the ambition of positioning Madrid as a European benchmark and a key meeting point for companies, startups, and players in the innovation ecosystem. In 2024, Patio Campus officially opened its doors and began work across several strategic areas, including:

- Circular Economy Challenge: Following an open call for proposals, on the 28th of November 2024, Patio Campus announced the 14 startups selected to participate in its Circular Economy programme, launched in collaboration with its founding corporate partners: BMW Group España, Iberia, Inditex, L'Oréal Group, Mahou San Miguel, Moeve



(formerly Cepsa), and Pascual have also joined the initiative, which aims to foster innovation, sustainability, and collaboration to generate a positive impact on society and the environment. This marks the first time in Spain that a cross-sector alliance has been formed around environmental sustainability and the circular economy, with major corporations joining forces with startups to co-develop shared solutions. As part of the programme, the selected startups have the opportunity to collaborate directly with the founding companies, creating synergies that accelerate the development and implementation of impactful, scalable innovations.

- The Next 35. In June, Patio identified the top 35 scaleups in Spain through its report The Next 35, a nod to the IBEX 35, Spain's benchmark stock market index. This report highlights the scaleups that, as leaders in innovation, sustainability, and business viability, represent the future of the Spanish economy and have the potential to become the country's next corporate giants. To compile the ranking, Patio Campus relied on two independent expert panels. The Advisory Committee, composed of leading investment and finance specialists from organisations such as HearstLab, JME Venture Capital, K Fund, Kibo Ventures, Zubi Capital, and BIGBAN Investors Spain, evaluated companies based on innovation, viability, and impact. The Evaluation Committee, comprising of experts from major corporations such as Inditex, L'Oréal, Iberia, Mahou San Miguel, Merlin Properties, Moeve (formerly Cepsa), Google, and Social Nest, then validated the final selection.

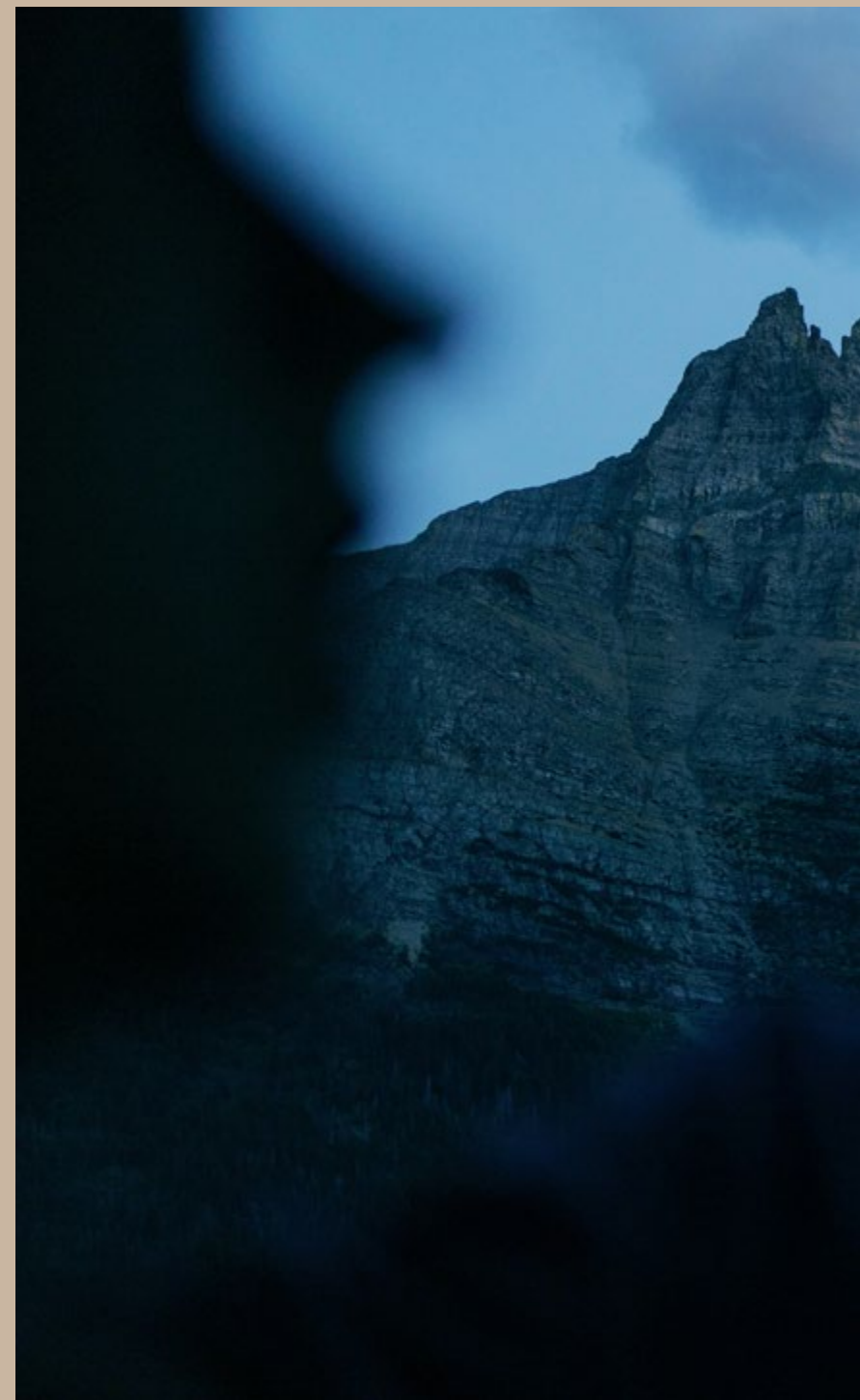
These 35 companies represent the future of Spain's economy, driving technological progress and job creation. Highlighting these scaleups is not only a way to recognise their achievements, but also to underscore their growing importance within both the national and global economic landscape.

Partnership with Apple.

To close out 2024, Iberia, alongside the other IAG airlines, took part in a global launch in partnership with Apple to integrate AirTags into baggage handling operations. This initiative aims to improve the speed and accuracy of locating misplaced luggage, while also reducing the costs associated with lost baggage. By enabling precise tracking, this tool enhances the customer experience and further reinforces Iberia's commitment to technological innovation.

The incorporation of AirTags at Iberia reinforces the Group's commitment to leveraging technology to enhance the customer experience, marking a significant step forward in the modernisation of logistics processes within the airline industry.

As a result of these and many other initiatives, customers perceive Iberia as the most innovative airline in the Spanish market. This perception is supported by external validation, such as the annual IEI (Spanish Innovation Index) conducted by UC3M, which once again recognised Iberia as the country's most innovative airline..



Chapter three. A compass to impact.







Chapter three. A compass to impac. Highlights.

Ethics and compliance.

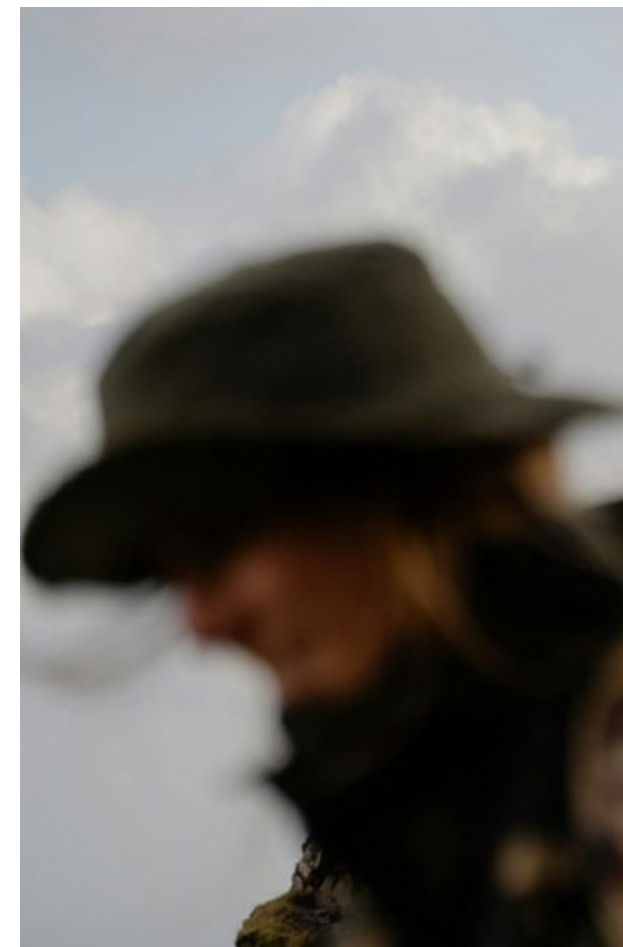
- Over 3,000 employees received anti-corruption training.
- More than 100 due diligence processes were conducted to ensure the integrity of third parties across the supply chain.
- Annual internal audit of the compliance crime prevention model.
- The IAG Code of Conduct is mandatory for all Group employees and managers and is actively communicated to all stakeholders.

Human Rights.

- No human rights violations were reported within the IAG in 2024.
- The Group remains committed to aking swift and decisive action if any evidence of slavery, human trafficking or labour abuse is identified within its operations or supply chain.

Sustainability.

- The sustainable supply chain programme includes supplier evaluations, surveys and audits focused on working conditions, labour law compliance, and human rights practices were conducted to ensure the integrity of third parties across the supply chain.



Governance and culture of accountability.



Iberia and the IAG Group are committed to maintaining a transparent and effective corporate governance framework that creates long-term value and safeguards the interests of all stakeholders.

The Boards of Directors of IAG and Iberia play a central role in this structure. They are responsible for defining the strategic objectives of the Group and the company, approving overarching policy guidelines, setting priorities, and designing programmes to achieve corporate goals. They also oversee management performance and ensure alignment with the agreed strategic direction.

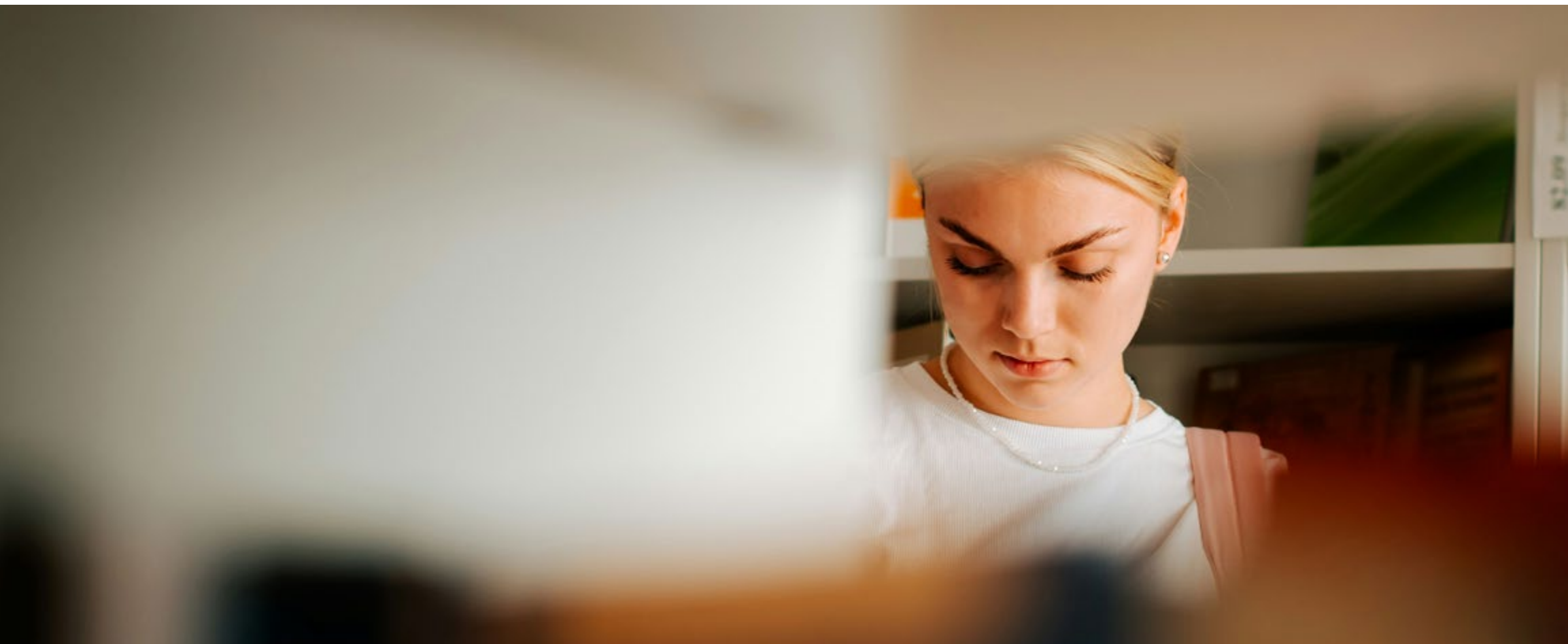
Another key responsibility of the Boards of Directors, at both Group and company level, is to approve the business plan and budgets, determine the organisational structure and financing policy and oversee risk management and sustainability strategies. In addition, both boards regularly monitor internal reporting and control systems, either directly or through reports provided by their respective Audit Committees.

The IAG Board of Directors is composed of eleven members, including six non-executive directors and five women. Iberia's Board of Directors consists of nine members, four of whom are non-executive, with two women among them.

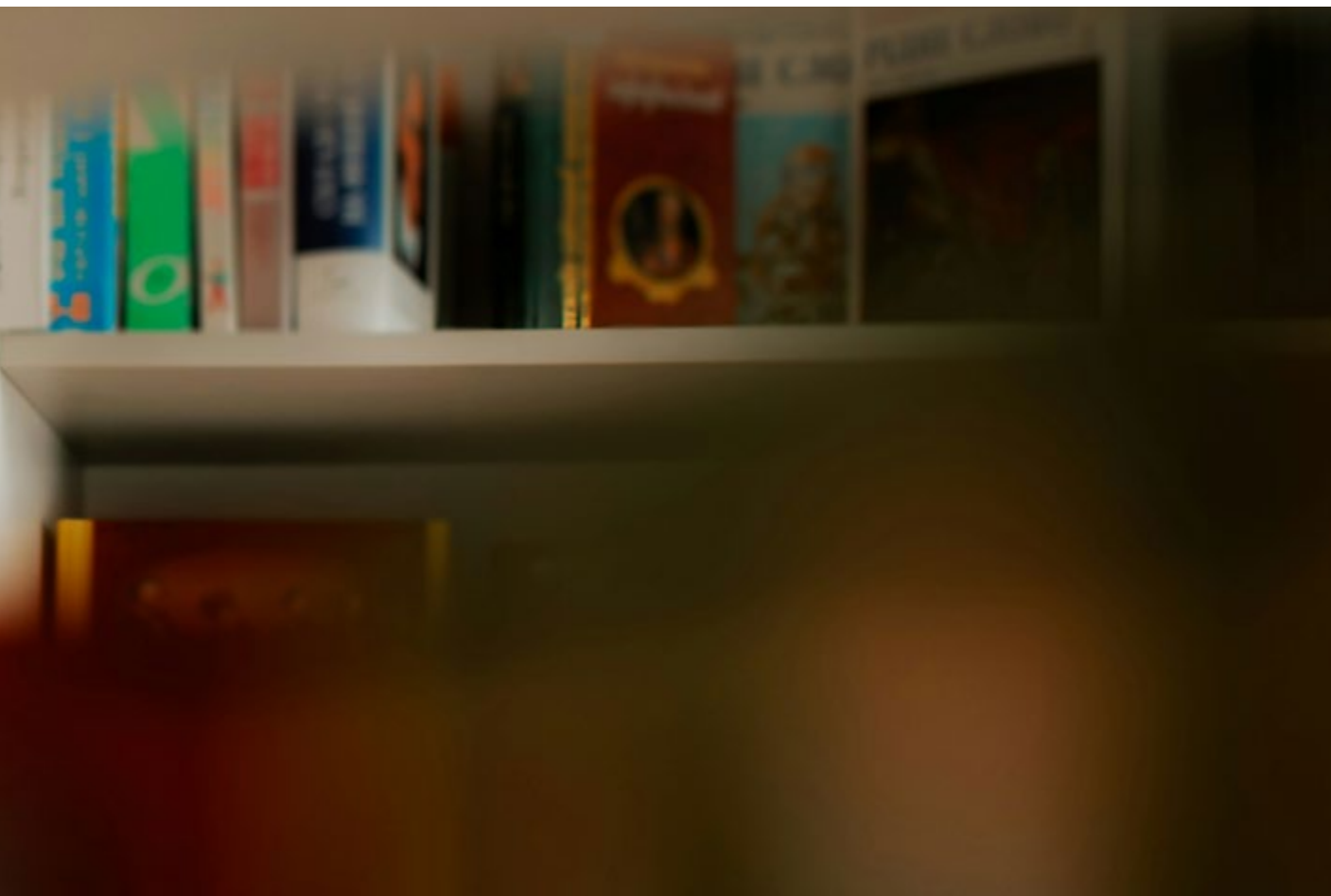
IAG's Management Committee, led by the Group Chief Executive Officer, is responsible for the day-to-day management of the company, the performance of the Group, and the implementation of the strategy approved by the Board. The Executive Committee of IAG is composed of eleven members, three of whom are women. Similarly, Iberia's Management Committee comprises eight members, including two women.

The Appointments Committee and the Remuneration Committee, both reporting to the IAG Board of Directors, oversee appointment and remuneration policies, respectively.

The Iberia Board reviews and approves the company's Sustainability Report following its presentation to the Management Committee. Notably, in 2022 Iberia established the Sustainability Committee (CdSIB), a body tasked with reporting to both the Management Committee and the Board of Directors on the progress of the company's sustainability strategy.



Ethics and compliance.



Our goal is to embed sustainability as a core part of our company culture. To achieve this, we strive to align behaviours, processes, and objectives with Iberia's purpose and values.

Ethics and integrity.

Iberia adheres to the IAG Group's General Code of Conduct, which outlines the ethical principles and standards of behaviour that guide the actions of the Group's directors, executives, and employees in the performance of their duties and in all professional and commercial interactions.

The Code of Conduct expressly prohibits personal or family interests from influencing decisions, actions, services, or advice undertaken on behalf of Iberia. Directors' obligations are detailed in the Board of Directors' Regulations and in the Articles of Association of both IAG and Iberia, with compliance reviewed as part of the Annual Accounts Report.

As in the previous year, no conflicts of interest were identified in 2024 in the performance of duties by Iberia's Board of Directors or its Management Committee.

IAG also maintains a Supplier Code of Conduct, which applies to the provision of any goods or services to IAG or any of its Group companies.

Anti-corruption policy.

The fight against corruption and bribery forms an integral part of Iberia's crime prevention programme. This programme establishes a set of measures designed to help employees prevent and detect potential criminal offences, as defined under the Spanish Criminal Code, and to understand how to report them appropriately to the relevant authorities. It also reflects Iberia's firm commitment to maintaining continuous vigilance, sanctioning unethical or criminal conduct, and promoting a culture of prevention through effective communication and awareness-raising initiatives.

In 2024, more than 3,000 employees received anti-corruption training to ensure a clear understanding of the anti-corruption policy adopted in 2022.





Anti-corruption policy in the supply chain.

In line with Iberia's anti-corruption policy, the company regularly conducts due diligence procedures—comprising of analysis and background checks—on third parties with whom it maintains contractual relationships. These reviews focus particularly on assessing the suitability of bidders in procurement processes and commercial intermediaries, based on criteria defined for each case.

In 2024, more than 100 due diligence processes were carried out to ensure the integrity and reliability of third-party partners. Additionally, IAG GBS—the IAG Group company responsible for centralising third-party contracting and invoice processing—conducts assessments of overall contractual performance and regulatory compliance among these external partners.

Regulatory Compliance Committee.

The Iberia Group offers employees a variety of tools to help address questions and report any concerns. This includes a confidential whistleblowing channel managed by an independent external provider. All reports are carefully reviewed and escalated to the Regulatory Compliance Committee—made up of senior management—for appropriate action.

An annual internal audit of the compliance and crime prevention model is also conducted to ensure it remains up to date and effective.

Policies endorsed by the Board and the Compliance Committee.

Iberia's Regulatory Compliance Committee is responsible for reviewing the status of the crime prevention model. In 2023, it approved a new policy to ensure compliance with international sanctions regulations, along with another focused on employee training.



Risk management.



The governance, environmental, and social risks identified have been approved by the Board of Directors and incorporated into our overall risk management framework.



Note.

The management of operational security, data privacy, and information security is detailed in section 2.3, '360° Security', of this report.

Business risk management

One of Iberia’s key priorities is to identify the most significant risks facing the company and to assess their economic impact, likelihood of occurrence, and time horizon.

To achieve this, Iberia relies on both the IAG Audit and Compliance Committee and the Iberia Audit Committee, the latter established in 2017 in accordance with legal requirements. Coordination between the two committees is ensured. Their main responsibilities include:

- Monitoring the effectiveness of internal control, internal audit, and risk management systems across the Group, and reviewing them regularly.
- Acting as a communication channel between the Board of Directors and the external auditors.
- Providing an opinion on the auditors’ independence.
- Overseeing the preparation and presentation of mandatory financial information.

The coordinated work of these committees significantly mitigates the risks associated with Iberia’s operations.

Human Rights risk management.

The principles of fair and equitable treatment, non-discrimination, legal compliance, and respect for human rights form the foundation of our Code of Conduct, IAG’s ethics and compliance framework, and the Third-Party Code of Conduct. The IAG Code of Conduct is mandatory for all Group employees and managers and is actively communicated to all stakeholders. To support this, comprehensive training and development programmes are offered to ensure employees are fully informed about the standards and expectations outlined in the Code of Conduct.

In 2024, IAG introduced a dedicated Human Rights Policy that reinforces the Group’s commitment to respecting human rights and upholding the dignity of all individuals. The policy reaffirms alignment with the United Nations Guiding Principles on Business and Human Rights and covers key areas such as diversity, equal opportunity, labour standards, freedom of association, and the prevention of forced labour, child labour, modern slavery, and human trafficking.

No cases of human rights violations were identified within the Group in 2024, continuing the same record as in 2023.

IAG’s Modern Slavery and Human Trafficking Statement, available on the Group’s website, sets out the identified risks in this area and complies with Section 54, Part 5 of the UK Modern Slavery Act 2015 and Section 11(4)(b)(ii) of Canada’s Fighting Against Forced Labour and Child Labour in Supply Chains Act (2023).

IAG remains firmly committed to taking immediate and decisive action should any evidence of slavery, trafficking, or labour abuse be identified within its operations or supply chain.

In line with this, Iberia delivered awareness training in 2024 to frontline staff, offering practical guidance on how to identify and respond to potential cases of human trafficking, including reporting procedures for suspicious activity.

Climate change risk management.

Combating the effects of climate change is one of the greatest challenges facing society today. To limit the rise in global average temperature to below 2°C—and ideally to 1.5°C—we must work in close partnership with other businesses, the public sector, and society as a whole. In this context, aviation must undergo a profound transformation, moving away from fossil fuels toward new energy sources and technologies capable of enabling net-zero emissions by 2050. Given this imperative, climate-related risks have been identified as a critical concern for IAG and, by extension, for Iberia and the wider aviation industry.

In 2022, Iberia aligned its climate-related disclosures with IAG and adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework to strengthen its management of climate-related economic risks. In 2025, IAG will conduct a new risk analysis to update the findings of the previous assessment.

Risk and opportunity identification related to climate change is conducted at two levels:

1- Strategic level: In collaboration with Compliance, Strategy, and Sustainability teams, Iberia identifies and evaluates the potential risks and opportunities that climate change may present to the company’s operations and long-term business model.

2- Operational level: As part of the IEnvA environmental management system (implemented and certified in 2023), all potential environmental risks have been mapped across the company’s business units. Each identified risk is assigned to the relevant area based on its ability to control or mitigate the risk.

Additionally, Iberia conducts an annual financial planning exercise to project the potential financial impact, both positive and negative, of sustainability on the business. This analysis supports the valuation of the risks and opportunities identified at the strategic level.

As a result of this analysis, the most significant risks currently facing the company relate to fuel price volatility and the European Union’s climate regulatory package, known as Fit for 55. To address the first of these, Iberia maintains a fuel hedging strategy, which is regularly reviewed to ensure optimal price stability. Regarding regulatory changes, the lack of consolidation and harmonisation of climate-related legislation at both European and international levels could create market distortions across the regions where the company operates. In response, the Group advocates for a smart, coherent regulatory framework, one that avoids such imbalances while remaining ambitious enough to support the EU’s emissions reduction goals.

A summary of Iberia’s activities aligned with TCFD recommendations is provided in the following section.

TCFD	Activities currently aligned	Planned activities
Governance	Sustainability Directorate consolidates and supervises the environmental performance across all business lines. Sustainability policy approved by the CEO. Materiality analysis updated in 2022.	Implementation of an environmental management system, with two committees monitoring environmental performance: one at the operational level and one at a more executive level.
Strategy	Climate targets are defined at IAG level and adopted by all Group airlines, including Scope 3 emissions. Sustainability is one of the key pillar of the company's strategic plan, Iberia Next Chapter. The company promotes innovation through Hangar 51, Iberia Lab, and innovation forums such as South Summit. Green bond issued to finance new fleet (A320neo and A350 aircraft). Consolidated one- and three-year financial plans that include environmental considerations.	Further develop the identification and assessment of risks and opportunities, considering the company's business lines and their geographic distribution.
Risk management	Main climate-related risks identified by business area.	As part of the environmental management system (IEnvA) implemented in 2023, risk reviews are integrated into the company's operational activities.
Metrics and targets	Climate strategy in place with short-, medium-, and long-term targets in place. A portion of employee remuneration is linked to a target for reducing flight emissions intensity.	Strengthen the strategy to support the achievement of established objectives. Refine indicators to better track identified risks and opportunities.

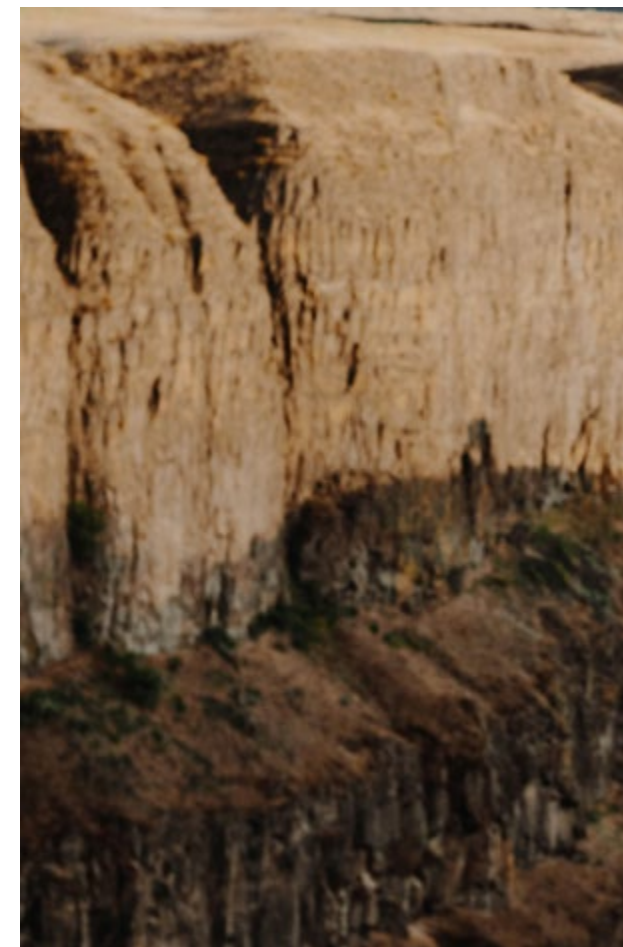
Managing economic risks associated with climate change.

The table below outlines the key risks identified by the company in line with the recommendations of the TCFD framework. As a next step, work is currently underway to define a clear timeframe for each of these risks.

TCFD	Risk	How Iberia builds resilience
Market risk	Fuel price fluctuations.	Strategy to reduce the impact of price spikes, carbon pricing on the fleet, and financial planning.
	Changes in consumer preferences.	Ongoing market analysis and tracking of potential preferences. Frequent updating of the services offered by the company.
	Perception of aviation sector sector progress on CO2 emissions.	Continue to contribute to the objectives included in the climate strategy and increase communications with customers in this regard. Strengthen transparency in the disclosure of non-financial information.
	Viability of carbon offset projects.	Strategy to avoid fuel price spikes, governance to ensure quality of offsets, an offsetting roadmap based on external evidence, and advocacy in support of policies and monitoring frameworks.
Regulatory risk	Carbon pricing mechanisms: EU, ETS and CORSIA.	Strategy to reduce the impact of fuel price spikes, fuel prices, carbon price and financial planning.
	EU Fit for 55.	Definition of an ambitious sustainability strategy to enable the decarbonisation of operations.
	Lack of infrastructure or political support for SAF (Sustainable Aviation Fuel).	Support the implementation of policies that encourage the production and consumption of SAF and define a strategy for SAF consumption in regions where there is a supportive policy.
Technological risk	SAF shortages.	Ensure SAF supply agreements and take decisions on early-stage projects when applicable.
Reputational risk	Sector stigmatisation.	Continue to contribute to the objectives included in the climate strategy and increase communications with customers in this regard. Strengthen the transparency in the disclosure of non-financial information.
Acute physical hazards	Increased severity and frequency of extreme weather events.	Existing operational resilience processes.
	Impact of climate on operations.	Existing operational resilience processes.
	Acute risk resilience.	Review of route network planning and potential deployment of mobile assets in different locations.
Chronic physical risks	Change in wind patterns and windstorms.	Existing operational resilience processes, and review of existing flight plans.
	Sea level rise.	Analysis of potentially affected destinations and facilities.
	Reduced flights to chronically affected destinations.	Destination network planning will be reviewed.
	Increased frequency and persistence of droughts.	Existing operational resilience processes and review of network planning.

As a core element of the company’s risk management system, Iberia is continuously working to quantify the impact of environmental risks and to update its mitigation plans accordingly.

TCFD	Opportunity
Opportunities: energy sources	Use of energies that generate fewer emissions.
Opportunities: technology	New generation aircraft.
	Green electricity and hydrogen.
Opportunities: products and services	Changes in consumer preferences.
Opportunities: resilience	Participation in research programmes.
	Fleet renewal.
Opportunities: market	Single European Sky (SES).
	Diversification of SAF supply.
	Financing the green transition.



Responsible supply chain management.



Iberia amplifies the impact of its operations through its supply chain, creating opportunities for individuals, businesses, and society at large through responsible management.

Responsible procurement and contracting at Iberia are managed through IAG Global Business Services (IAG GBS), which operates in alignment with Iberia’s objectives and under established internal procedures. IAG GBS works closely with suppliers to ensure that all products and services delivered to IAG contribute to the Group’s goal of achieving net-zero emissions by 2050.

The IAG GBS Group Procurement team leads the Supply Chain Sustainability Programme, which focuses on five key areas:

- Use of sustainable procurement tools, including the Supplier Code of Conduct and sustainability clauses.
- Independent financial risk assessments (via Moody’s) and sustainability evaluations (via EcoVadis).
- ESG audits conducted in collaboration with SEDEX.
- Scope 3 emissions accounting project in partnership with Watershed.
- Integration of sustainability as a standard component of the procurement process.

Key actions, metrics and targets for 2024.

IAG’s actions to mitigate the negative impacts of poor working conditions in its value chain include the following:

- IAG conducts supplier assessments, surveys, and audits, such as those carried out in collaboration with SEDEX, focusing on working conditions, compliance with labour laws, and human rights practices. In 2024, IAG GBS obtained and analysed 109 ESG audits, compared to 38 in 2023.

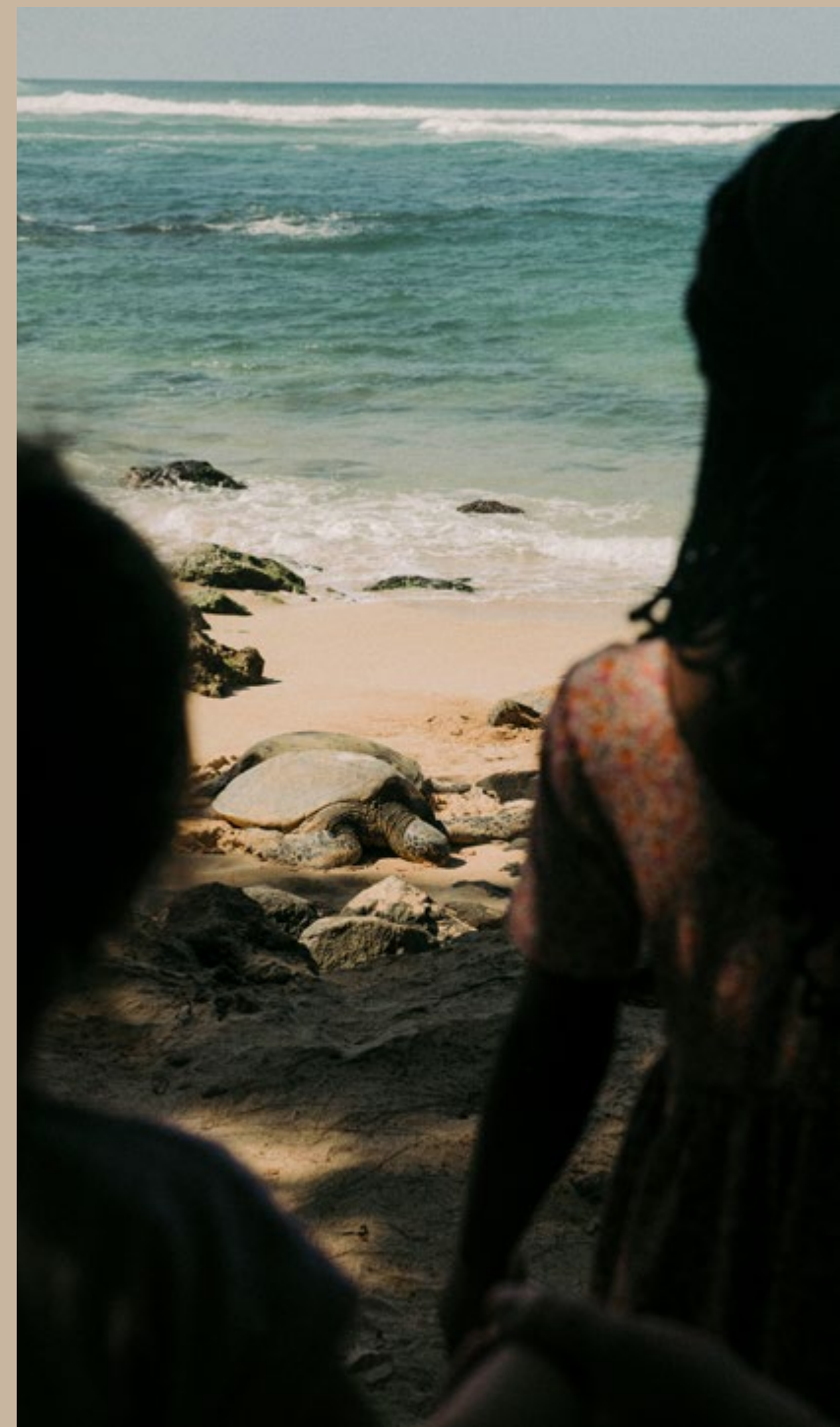
- The Group collaborates with third-party organisations specialising in employee engagement and human rights, including regulators and non-profit organisations.
- IAG is committed to ensuring accessible channels for raising concerns and to taking corrective action when adverse impacts are identified. A Group-wide whistleblowing mechanism is maintained to support this.
- In 2024, IAG further strengthened its due diligence practices by developing a targeted approach for suppliers operating in high-risk sectors and geographies.
- IAG GBS also focused on deepening its engagement with key suppliers, achieving EcoVadis scorecard coverage across 79% of IAG’s total spend.

Our vision for 2025.

- IAG GBS will continue working closely with suppliers to help improve their sustainability performance, using EcoVadis scorecards as a key reference.
- It will prioritise stronger relationships with key suppliers through dedicated engagement initiatives.
- After collecting extensive data on supply chain sustainability assessments, the focus for 2025 will shift towards a more qualitative approach, enabling deeper insights and impact.



Chapter four. A journey in good company.





Chapter four. A journey in good company. Highlights.

The Iberia team.

- 12,331 employees.
- 95 % of permanent contracts.
- 37 % of senior management positions held by women.
- Iberia's collective agreements include work-life balance measures and benefits that go beyond the requirements of the Workers' Statute.
- The Elige Cuidarte (Choose to Take Care of Yourself) programme promotes healthy habits and disease prevention.
- Compulsory training for all employees on the company's Equality Plan.
- Iberia Volunteers: employees' commitment to advancing the company's sustainability strategy.

Passenger transport customers.

- Skytrax Award for Best Airline Staff Service in Europe.
- 2025 APEX Five Star Global Airline Award.
- Ranked number 15 in the Top 100 airlines according Skytrax ranking.
- Gastronomy Tourism Awards 2024.
- Outstanding Food Service by a Carrier for Europe 2024 awarded by PAX International.
- Iberia and Iberia Express recognised as Europe's most punctual airlines in 2024.
- Implementation of an Accessibility Plan to enhance the customer experience for individuals with physical, visual, auditory and cognitive accessibility needs.

Iberia Maintenance customers.

- A leading benchmark for aeronautical maintenance in Southern Europe.
- Over 95 years of experience in aircraft, engine, and component maintenance, repair, and overhaul.
- Trusted by more than 120 clients.
- A team of 2,200 highly qualified professionals.

Society.

- AENOR-certified calculator for measuring the socio-economic impact of international routes.
- The Diversity, Equity and Inclusion (DEI) Plan is deployed across the organisation through more than 30 initiatives.
- Envera, Iberia's social initiative founded 47 years ago, supports people with disabilities in achieving equal opportunities.
- Collaboration with more than 20 social organisations.
- Solidarity actions by the company and its employees to support those affected by the DANA storm.
- Proud carrier of the Spanish Paralympic Committee for the Paris 2024 Games.



Our team, Iberia's greatest ambassadors.



At Iberia, we work for and alongside people, creating quality employment. We are proud to have highly trained professionals and are committed to ensuring their safety and well-being.





A journey in good company

Iberia workforce in 2024¹.

Breakdown of staff by group

National ground staff	6,971
Pilots	1,464
Cabin crew	3,691
International ground staff	205
Grand total	12,331

Breakdown of staff by business area ²	Ground	Flight	Grand total
Corporate	385		385
Air Transport	2,237	5,155	7,392
Airport and Cargo	2,380		2,380
Maintenance	2,174		2,174
Grand total	7,176	5,155	12,331

Evolution of the workforce	2021	2022	2023	2024
	15,543	16,988	18,434	12,331

Staff by type of contract³

Permanent (part-time)	665
Discontinuous permanent	316
Permanent (full-time)	10,752
Temporary	598
Grand total	12,331

Diversity by gender and employment group	Women		Men		Total	
Senior Management	16	37 %	27	63 %	43	0 %
Senior Management and Technical staff	510	49 %	523	51 %	1,033	8 %
General Administrative staff	1,246	70 %	529	30 %	1,775	14 %
Aeronautical Maintenance Technicians	76	3 %	2,493	97 %	2,569	21 %
Ancillary Services	133	9 %	1,278	91 %	1,411	11 %
Other	152	44 %	193	56 %	345	3 %
Total ground staff	2,133	30 %	5,043	70 %	7,176	58 %
Pilots	96	7 %	1,369	93 %	1,464	12 %
Cabin Crew	2,460	67 %	1,230	33 %	3,691	30 %
Total flight staff	2,556	50 %	2,599	50 %	5,155	42 %
Grand total	4,689	38 %	7,642	62 %	12,331	100 %

Diversity of the workforce by age

Less than 20	3
20-29	1,578
30-39	2,406
40-49	2,945
50-54	2,233
55-59	1,955
More than 60	1,211
Grand total	12,331

Diversity in management positions by gender ⁴	Women	Men	Total
President	0	1	1
Executive Committee	2	5	7
Director	16	24	40
Senior Manager	16	30	46
Manager M1	59	63	122
Manager M2	38	73	111
Specialists	128	148	276
Total	259	344	603

1
The following tables show the average headcount data for the year 2024.

2
On the 16th of May 2024, the deed of segregation was formalised, whereby Iberia transferred en masse, by universal succession, the handling services business unit (Airport and Cargo) to South, along with all related assets, liabilities and employees. The transfer was made with retroactive accounting effect from the 1st of January 2024. On the same date, the company's name change w as also formalised and registered with the Mercantile Register, effective the 16th of May 2024.

3
During 20 24, 838 permanent contracts were signed, including 191 conversions from temp orary to permanent contracts.

4
Figures exclude pilots and cabin crew members in management positions. International local employees in management positions are included.

Agreements and salaries.

Salaries for employees covered by collective agreements are determined based on professional category, length of service, and position, in accordance with the applicable agreements for ground staff, flight attendants, and cabin crew.

For employees not covered by collective agreements, such as managers and structural roles, salaries are negotiated individually between the company and the employee, based on factors such as specialisation, experience, and the responsibilities of the role.

In all cases, Iberia applies strict non-discrimination principles, ensuring that no distinction is made based on gender, race, or any other discriminatory criterion. The company also guarantees compliance with the legally established minimum interprofessional wage.

No. of workers benefiting from reduced working hours for legal guardianship in 2024	Women	Men	Total
Flight staff	756	378	1,134
Pilots	20	177	197
Cabin Crew	736	201	937
Ground staff	61	65	126
Grand total	817	443	1,260

Average wage gap women/men¹

Senior Manager	-4.86 %
Manager M1	-4.30 %
Manager M2	-4.57 %
Specialists	1.95 %

Trade union membership²

Pilots	100 %
Cabin Crew	31.20 %
Ground staff	48.59 %

1
Excludes pilots and cabin crew employees covered by collective agreements who hold management positions. Includes international local employees in management roles.

2
Union membership figures only reflect employees whose membership is known to the company through payroll deduction of union dues.



Work-life balance measures and employee benefits at Iberia that go beyond the provisions of the E.T. (Spanish Workers’ Statute).

Ground personnel collectives.

- Work-Life Balance.

 - Annual working hours capped at 1,712 effective hours.
 - 30 working days of holiday per year, exceeding the 30 calendar days established by the Workers’ Statute.
 - 18 public holidays per year, compared to the 14 set by law.
 - Flexible start and finish times available in departments and shifts where feasible.
 - Remote working options for certain roles.
 - A time bank system in the Maintenance division to meet operational needs and support employee work-life balance.
 - Option to take accumulated breastfeeding leave in full working days.
 - Voluntary reduction of working hours beyond the cases outlined in the Workers’ Statute.
 - Unpaid leave available for personal matters.
- Social benefits.

 - Company-paid supplement in cases of sick leave, covering both common and work-related contingencies.
 - Supplementary pension scheme: the company contributes 50% to the employee’s social pension fund as outlined in collective agreements.
 - Group life and disability insurance policy, provided under the terms of the collective agreements.
 - Flexible compensation scheme allowing part of the salary to be exchanged for products or services (e.g. transport card, childcare vouchers, training, pension plan, or health insurance), offering tax advantages.
 - Fondo Solidario (solidarity fund) providing social assistance in areas such as education, personal hardship, support for children with disabilities or chronic illnesses, rehabilitation for substance abuse, summer camps, and social loans.
 - Free and discounted airline tickets for holiday travel.

Flight personnel collectives (pilots and cabin crew).

- Work-Life Balance.

 - Annual working hours below those established by aviation regulations.
 - Schedule preferences can be submitted via the PNP/Concilia digital platform.
 - Additional leave days – CR (up to 14 for pilots and 10 for cabin crew) based on years of service.
 - Option to accumulate breastfeeding leave as full working days (for pilots).
 - Optional reduction of working hours, in addition to the cases set out in the E.T. (Workers’ Statute), depending on age and seniority.
 - Article 76.1 and Annex 12 for cabin crew.
 - Articles 86.1 and 86.3 for pilots.
 - Special Leave (cabin crew) and Special Termination (pilots): both pilots and cabin crew may apply voluntarily from the age of 55 to end flight duties with compensation.
 - Reserve status: cabin crew may enter this status at the age of 62, receiving pay while ceasing flight activity. Pilots may reduce flight time to 55% or enter reserve status from the age of 60.
 - Unpaid leave may be granted for personal reasons.
- Social benefits.

 - Company-paid supplement in the event of temporary disability, covering both common and occupational contingencies.
 - Supplementary social security: the company contributes 50% of the amount to the social pension fund, as set out in the Collective Agreements.
 - Group insurance policy covering life, disability, and loss of licence, in accordance with the Collective Agreements.
 - Flexible remuneration options, allowing part of the salary to be exchanged for products or services, such as transport cards, childcare vouchers, training, pension plans, pilot car leasing, or medical insurance, with tax benefits.
 - Fondo Solidario (Solidarity Fund), which provides social assistance including study grants and support in cases of hardship.
 - Free and discounted airline tickets for holiday travel.



Our talent.

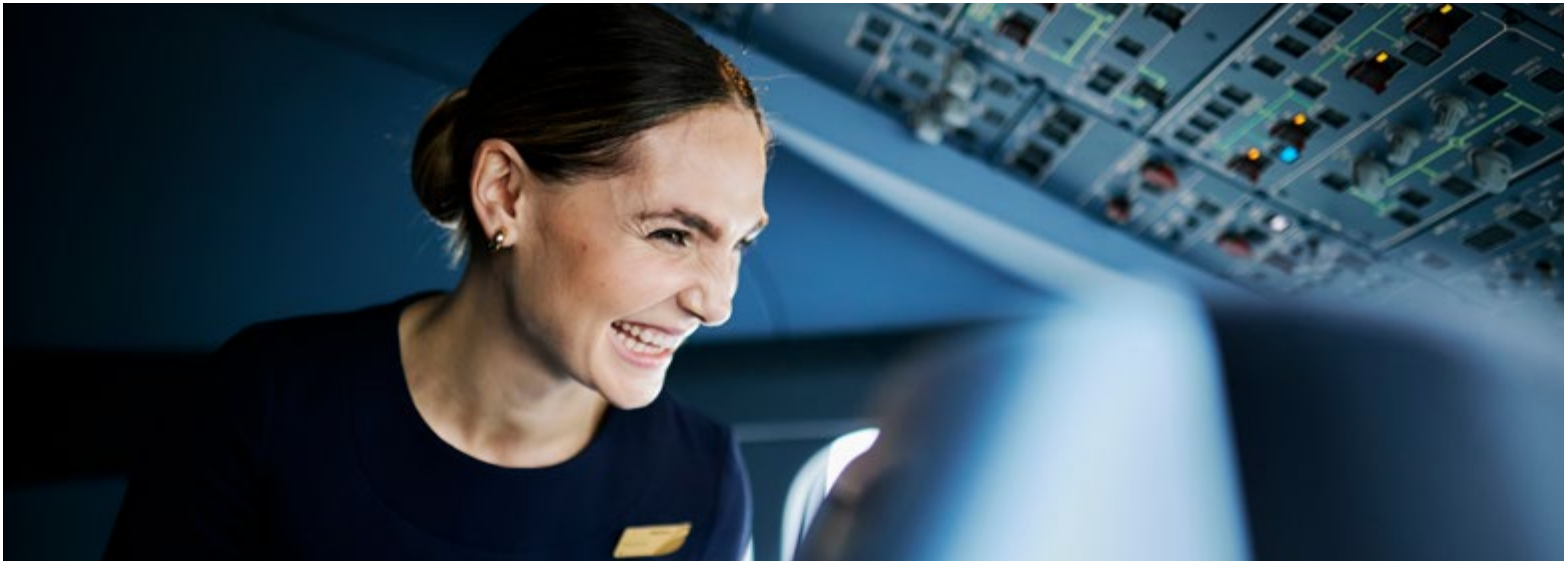
At Iberia, we believe that every day brings new opportunities to improve, excel, and go beyond expectations. This mindset is driven by the continuous development of knowledge, skills, and experience sharing among the people who make up our organisation.

In the People and Diversity area, we are fully aware that our people are our greatest asset, and the reason we stand out. That's why we work every day with the same drive and dedication as on day one. In 2024, we launched a range of initiatives to support the professional and personal development of our teams.

To attract new talent and strengthen Iberia's employer brand, we once again took part in Aeroempleo, the annual job fair organised by ETSIAE students.

From May to July, we also held a series of events at Espacio Iberia to engage with students from the following institutions:

- UPM, for an in-depth look at our industry, including insights into Line Maintenance, the Operations Control Centre (OCC), and Fleet Planning.
- Instituto de Estudios Bursátiles (IEB) and Instituto de Empresa (IE), where postgraduate and master's students in Digital Marketing, Business Administration and Big Data met with Iberia's Digital Marketing and Data teams.
- La Nave Nodriza and the Centro de Estudios de Innovación (CEI), with master's students in UX/UI, under the guidance of Iberia's Usability, Design, and Content team.
- ESIC, for students enrolled in the Data programme.
- Nextjob, in collaboration with UPM students.



With a focus on gender diversity and the goal of raising awareness about professions such as pilot, engineer, and aircraft maintenance technician—fields where women remain underrepresented—we launched several initiatives:

- “Quiero Ser Piloto” (I Want to Be a Pilot) school visits: Iberia pilots led talks in schools to introduce students to the profession and share their personal career experiences.
- Participation in Leadinggirls: Iberia was a silver partner at the Leadinggirls event held at the Palacio de Ferias y Congresos in Málaga, a forum aimed at encouraging young women to pursue careers in STEAM fields.
- “Quiero Ser” (I Want to Be) initiative (3rd edition): More than 35 girls aged between 14 and 18 visited our aircraft maintenance facilities at La Muñeza and the CAE pilot training simulators, offering them a hands-on introduction to technical and operational aviation careers.

As part of the partnership between Iberia and the UPM (Polytechnic University of Madrid)—based at the School of Aeronautical and Space Engineering (ETSIAE)—for the creation of the Iberia Chair, we also supported various academic and research initiatives:

- Aula Iberia: In November, we inaugurated Aula Iberia, a dedicated space for ETSIAE students to engage with top Iberia professionals. It serves as a hub for knowledge-sharing, hands-on learning, and cross-generational dialogue.
- “Despega” (Take-off) mentoring programme: Launched as part of this collaboration, Despega is a six-month mentoring programme aimed at final-year undergraduate and master’s students who want to deepen their knowledge in areas such as engineering, business, or airline operations.

In the area of recruitment, we continue to review and update transparent action protocols aimed at fostering equal opportunities and removing barriers to talent. We are also expanding our employment ecosystem by introducing new recruitment channels.

In parallel with ongoing improvements to our external careers’ website, we have launched a new internal job posting platform to increase the visibility of opportunities within the organisation and support career progression through internal mobility.

We are also continuing to review and promote the use of inclusive and gender-neutral language in our job postings.

In training, we have advanced development programmes focused on leadership and team management for senior executives, middle management, and aircraft maintenance technicians, key groups in driving the company forward. With a strong focus on diversity, we launched the third edition of the Take the Lead development programme for high-potential women.

Lastly, through Campus Iberia, all employees have access to Aula Abierta, our e-learning platform that encourages self-directed learning. It offers a wide range of courses to develop specific skills such as public speaking, influence, time management, and mindfulness, among many others.

Health and safety at work.

Iberia's Prevention Plan serves as the cornerstone for ensuring employee health and safety. It facilitates the integration of risk prevention across the company and defines the procedures required both for day-to-day operations and for embedding prevention measures within all areas of management.

The Occupational Risk Prevention Service has continued to carry out individual risk assessments for employees who have applied to work remotely, in accordance with the PPRL-25 Procedure for the Assessment of Teleworking Risks.

Following regulatory updates to the safety data sheet (SDS) for JET A1 aviation fuel by various suppliers, reclassifying the product as Carcinogenic Category 1B, Royal Decree 665/1997 of 12 May, concerning the protection of workers from risks related to exposure to carcinogenic, mutagenic, or reprotoxic substances, now applies.

In response, the Occupational Prevention team revised technical documents FT/TBJ-010 and FT/TBJ-037 and launched a specific information campaign through the "Jet A1 Classification Update" safety alert. The campaign outlines key precautions and preventive measures for employees who may come into contact with or be exposed to aviation fuel.

Additionally, following the amendment to Royal Decree 665/1997 regarding exposure to reprotoxic agents classified as 1A and 1B (which may negatively affect fertility, sexual function, or foetal development), a dedicated awareness campaign was rolled out for all employees. Documents FT-ORG-20 ("Use of Carcinogenic, Mutagenic and/or Reprotoxic Substances with Low Risk of Contamination of Work Clothing") and FT-ORG-22 ("Actions in the Event of Exposure to Unassessed Category 1A/1B Carcinogens, Mutagens or Reprotoxic Substances") were also updated accordingly.

Throughout the year, the Prevention and Business Activity Coordination team supported several key projects in the New Industrial Zone. These included participation in the christening of the National Police's bicentenary aircraft, the Envera solidarity calendar, the A321XLR presentation, and the "Quiero Ser" (I Want to Be) initiative promoting technical careers to female students. The team also provided guidance on emergency protocols and supported event organisers to ensure all activities adhered to occupational health and safety standards.

In 2024, we continued to develop our "Elige Cuidarte" (Choose to Take Care of Yourself) programme, which promotes best practices for health and wellbeing, with a particular focus on disease prevention and healthy habits:

- On the 21st of March, we concluded the PSA (Prostate-Specific Antigen) screening campaign. This test measures the protein produced by prostate cells and is a key tool in detecting cancer and other prostate conditions. The PSA test is simple, non-invasive, and highly effective, with a sensitivity and predictive value of over 70%, eliminating the need for additional tests such as biopsies or ultrasounds. The campaign ran for one year, from the 22nd of March 2023 to the 21st of March 2024, and was open to all male Iberia employees born before the 1st of January 1974.
- As in previous years, September marked the start of the annual flu vaccination campaign. The quadrivalent vaccine offered protection against four strains of the influenza virus, with an effectiveness rate of 70–90%, helping to prevent illness and reduce transmission among colleagues and families.
- On the 29th of October, in recognition of World Stroke Day, we reinforced our commitment to raising awareness about strokes, their symptoms, risk factors, and prevention. On the 24th of October, Julio Agredano from the Fundación Freno al Ictus (stop stroke foundation) led an educational session on how to recognise and respond to a stroke. Employees were also encouraged to complete the free, voluntary Frena el Ictus online course available on the Aula Abierta platform, supporting our aim to become a Espacio Cerebroprotegido (brain-protected space).
- On the 3rd of December, Dr. Sagrario Mayoralas, Director of the Fraternidad Muprespa Hospital Habana, delivered a talk on "Managing Sleep Apnoea", offering guidance on how to detect and treat the condition to improve overall health.
- Finally, on the 17th of December, we hosted the "Prevention 360: Build Your Health Shield" conference, led by renowned oncologist and science communicator Dr. Ricardo Cubedo, CEO of the SOLOMED Foundation. Dr. Cubedo shared actionable advice on how to protect ourselves from common illnesses such as cardiovascular disease and cancer through daily lifestyle choices.



Occupational health and safety committees	Until the 16th of May 2024: 18 committees + 1 Intercentre From the 16th of May 2024: 3 committees + 1 Intercentre		
Occupational prevention representatives	Until the 16th of May 2024: 80 From the 16th of May 2024: 43+6 Intercentre		
Percentage of workers represented on committees	100 %		
Absenteeism rate due to work-related accidents	0.4 % Iberia total	0.45 % Ground staff	0.3 % Flight staff
Claims ratio 2024 vs. 2023	-55 % Iberia total	-53 % Ground staff	-32 % Flight staff
Financial penalties for non-compliance with OHS laws	2		

Work-related accidents	Men	Women
Days off (ordinary/in itinere)	17,674	9,825
Very serious accidents (*)	1	0
Serious accidents (*)	0	1
Minor accidents (*)	535	635

Occupational Risk Prevention Training	Ground	Flight
Number of courses	17,731	2,970
Number of participants	13,272	2,514

OHS certifications until 2026

Occupational risk prevention system	All Iberia's activities with an impact on OHS	Audelco
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* Accidents resulting in sick leave.



Equality plan.

On the 7th of May 2024, Iberia established its Permanent Equality Committee and appointed an equality officer to coordinate the committee and oversee the implementation of the actions outlined in section 9 of Iberia's Equality Plan, signed on the 18th of September 2023.

This committee is a joint body composed of both company and employee representatives. Among its responsibilities are the monitoring and evaluation of compliance with the measures set out in the plan.

Through this initiative, Iberia reaffirms its commitment to developing policies that prevent both direct and indirect gender discrimination, and to promoting actions that ensure real equality across all aspects of its operations, including recruitment, remuneration, training, promotion, work-life balance, and equal opportunity.

The objectives of the Equality Plan are as follows:

- To continue supporting and promoting policies that prevent gender discrimination in recruitment, hiring, promotion, and pay.
- To foster greater gender balance by increasing the presence of women and men in areas where they are underrepresented.
- To maintain a policy of zero tolerance towards any form of sexual or gender-based harassment, or conduct that infringes on sexual freedom, and to ensure such situations are addressed swiftly and effectively.
- To enhance awareness of the legal rights of women who are victims of gender-based violence and ensure these rights are widely communicated.

In addition, Iberia has implemented a dedicated protocol for the prevention of and response to sexual and gender-based harassment, as well as other behaviours that violate sexual freedom.

As part of its commitment, Iberia has also made training on the Equality Plan and its key updates mandatory for all staff. This training has already been assigned to more than half of the workforce, with nearly 100% of those assigned having successfully completed it.

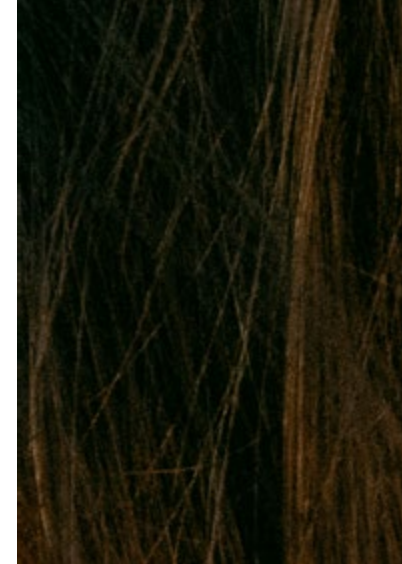


Compliance with Disability Legislation.

Iberia has supported Envera since its founding 47 years ago, united by a shared commitment to the full inclusion of people with disabilities in society.

In accordance with current legislation, Iberia is required to ensure that at least 2% of its total workforce is made up of people with disabilities. Given the particular complexity of the company's operations, it is challenging to incorporate enough employees with disabilities directly into the workforce. To address this, Iberia fulfils this legal obligation through the alternative measures permitted by law.

Iberia ensures compliance with the law and exceeds the minimum requirement by contracting services from Envera's Special Employment Centres. These centres carry out a wide range of services for Iberia, including event hosting, document management, aircraft linen laundry, and inventory management for aircraft component warehouses, among others. Envera was founded in 1977 by Iberia employees with children with intellectual disabilities. Over time, the organisation has grown in professionalism and reach, extending its services to people with various types of disabilities and to society as a whole, with the goal of providing high-quality, comprehensive support. Each year, Envera supports nearly 5,000 individuals with intellectual disabilities and their families and provides stable employment to more than 950 workers at its Special Employment Centres, fostering a more inclusive and equitable society.



Iberia's Diversity, Equity and Inclusion Plan.

At Iberia, we believe that every individual is unique, and we aspire to be an organisation that embraces diverse talent within an inclusive and plural environment, one that truly reflects today's society. This belief is embodied in one of the six core values that define us: "Somos uno y diversos" (We are one and diverse).

In 2024, we continued to strengthen our commitment to diversity, equity and inclusion (DE&I) through the implementation of Iberia's Diversity Plan. This strategic initiative goes beyond gender, encompassing other key dimensions such as generational and cultural diversity (including nationality), the LGTBI community, and people with disabilities.

Effective diversity management enhances our reputation, enriches the experience of both our teams and customers, and serves as a key driver in addressing future challenges. For this reason, Iberia's DE&I Plan is implemented transversally across the organisation, guided by a dedicated governance model and supported by a network of diversity ambassadors. The plan is articulated through more than 30 initiatives, structured around three core pillars:

1/ Awareness and training.

2/ Definition and review of internal processes to ensure their effectiveness.

3/ External communication and reputational impact.

In this way, diversity is woven into the fabric of our organisation, enriching the working environment by fostering greater commitment and a sense of belonging. It also helps us attract and retain top talent, while driving creativity and innovation.

Throughout 2024, we carried out the following key actions:

- We expanded the activity of our dedicated Diversity site, which showcases all information related to the DE&I Plan and helps promote the initiatives stemming from it.
- We continued to organise awareness events and talks aligned with key dates in our diversity calendar, such as International Women's Day, International Day of Persons with Disabilities, International Day for the Elimination of Violence against Women, Pilot or AMT Day, and International Women in Engineering Day, among others.
- As part of the training and awareness programme The Five Destinations of Diversity, we launched new microlearning modules to continue the journey and earn new stamps in the DE&I passport. In 2024, these focused on disability, unconscious bias, LGTBI, and neurodiversity.
- Our "Personas que inspiran" (Inspiring people) programme featured Fernando Romay in an "Intergenerational Coffee" event at Espacio Iberia, where guests from across the company came together to share experiences and perspectives on intergenerational collaboration in the workplace.

- As part of our employer branding efforts, we launched a series of initiatives aimed at raising awareness and attracting talent to careers in the aeronautical sector, such as pilots, engineers, and aircraft maintenance technicians, with a particular focus on gender diversity, given the current underrepresentation of women in these professions.
 - We organised school visits through our "Quiero Ser Piloto" (I Want to Be a Pilot) programme, where Iberia pilots led talks to share their personal experiences and bring the profession closer to younger audiences.
 - Iberia participated as a Silver Partner in Leadinggirls, held at the Palacio de Ferias y Congresos de Málaga, an event designed to encourage over 4,300 students from secondary schools, baccalaureate programmes, and vocational training centres to consider STEAM careers.
 - We also celebrated the third edition of "Quiero Ser" (I Want to Be), a special event in which more than 35 girls aged between 14 and 18 visited our aircraft maintenance facilities in La Muñeza and the CAE flight training simulators.
- As part of the IAG Group, we have committed to achieving 40% female representation in management positions by 2025. By the end of 2024, women held 38% of Iberia's management roles. To continue progressing towards this goal, we launched a new edition of the Take the Lead development programme, with a special focus on promoting leadership and supporting high-potential female talent.
- As part of the Uniform and Image Guide for Pilots, we introduced the neckerchief as an alternative garment to the traditional tie.
- In addition to continuing our sponsorship of Fitur LGTBI, Iberia launched a series of Pride Month initiatives under the slogan "Fly with pride, connecting people we celebrate diversity". These included: LGTBI ambassadors on social media, a 16-metre banner in Madrid's Pedro Zerolo Square, onboard actions such as "Pride cookies" and the iconic Las Meninas salt shaker in Pride colours, and a special closing event held at Espacio Iberia.
- To promote and give visibility to the cultural diversity of Iberia's workforce of over 10,000 employees, we introduced "El Día de País" (Country Day), a space to celebrate talent, traditions and cultural exchange. In 2024, Mexico was the featured country, with activities such as themed information stands, internal competitions, and "Iberia en familia", an event for local teams coinciding with the opening of Espacio Iberia in Mexico City. In parallel, to mark the reopening of our route to Tokyo, we organised a Japanese culture workshop for our commercial and customer-facing teams.



- As part of our commitment to workplace inclusion for people with disabilities, and in collaboration with Envera, Envera hostesses and stewards took part in various Iberia events throughout the year, including diversity and employee recognition initiatives.
- Following a successful pilot phase with our cultural diversity ambassadors, we extended the Contigo volunteering programme to the entire company, with the support of UNHCR and Diaconía. This initiative creates support networks for refugee youth through alternative leisure activities and mentorship, including entertainment, skill-building, and language learning.
- Within the framework of Cátedra Iberia—our partnership with the ESTIAE (Technical School of Aeronautical, Space Engineering), part of the UPM (Polytechnic University of Madrid), we launched several diversity-focused initiatives aimed at fostering stronger links between academia and industry:
 - Launch of Aula Iberia:

A dedicated space serving as a meeting point for ESTIAE students and Iberia professionals, with a packed calendar of activities linked to key dates such as International Women's Day, Pilot's Day, and Engineer's Day.
 - "Despega" (Take-off) mentoring programme:

A six-month mentoring scheme aimed at final-year undergraduates and master's students who want to deepen their knowledge in engineering, business management, and airline operations.
- We continued transforming our leadership model, adopting IAG's leadership competencies with an emphasis on respectful, inspiring, and inclusive management. In this context, the Development Programme for executives and middle managers, including aircraft maintenance technicians, now incorporates a focus on identifying and overcoming unconscious bias to foster more diverse leadership role models.
- In recruitment, we continued reviewing and improving transparent hiring protocols to promote equal opportunities and remove barriers to talent, including opening new channels to broaden our talent pool.
- We enhanced the visibility of our DE&I commitment across multiple platforms, including the Iberia Group website, intranet, forums, events, and panel discussions, while expanding the conversation around diversity through initiatives like Iberia Stories, themed celebrations like: Breast Cancer Awareness Day, International Women's Day, LGTBI+ Pride Week, and employee contributions.
- Lastly, we continued our work to ensure inclusive language is used across all communications and audiovisual materials, both internal and external, with the aim of eliminating stereotypes and promoting respectful representation.



Training.

Throughout 2024, Iberia's training efforts focused on modernisation, transformation, and the development of new content in key areas:

- Technology and automation, including the rollout of a new training management system and the introduction of a digital signature tool for much of the company's in-person training.
- The transformation of training methodologies to embrace more participatory and experiential learning approaches.
- The development and delivery of in-house content.
- Promotion of company knowledge, skills, and online learning resources.

As in previous years, Iberia's training priorities have remained focused on:

- Ensuring technical and regulated training.
- Strengthening strategic and cross-functional training.
- Continuing to promote e-learning and a culture of self-directed learning through Aula Abierta.

Technical and Regulated Training.

In 2024, training efforts focused heavily on the arrival of the new A321XLR aircraft, and the rollout of the training plan linked to the updated Equality Plan.

A significant volume of technical training was also delivered to the Line Maintenance team—part of the Airline division—particularly in relation to updates to maintenance procedures for external companies whose aircraft Iberia services.

Key training projects carried out in Maintenance during the year included:

- Mechanical/avionics differences training for A320neo to A321XLR.
- Structural repair training for A321XLR using Fiber Metal Laminate (FML).
- EASA Part 147 training on B1+B2 differences: A330 CF6 to Trent 700 engines.
- Type I sign-off course for mechanics and avionics for the A32X fleet (all engines).
- Launch of the Chief TMA Leadership Programme.
- Introduction of new VET internship specialisations for the first time at Iberia:
 - Aeronautical painting.
 - Aeronautical verification.
 - Electromechanics.

- More than 140 vocational training students completed internships at Iberia during 2024.
- A new On-the-Job Training (OJT) booklet was developed for inclusion in the Part-66 licence process for first type ratings.
- A new entry-level theoretical and practical course was launched specifically for structural maintenance personnel.
- Investment was made in a second classroom equipped for ACT methodology, enhancing the delivery of Part-147 training.

Strategic and cross-cutting training.

In 2024, Iberia launched several initiatives to strengthen company-wide and aerospace-specific knowledge:

- Onboarding-Discover Iberia: In-person training for new hires in corporate areas (NEO and MRO), designed to welcome new employees and provide an overview of the organisation.
- Air Transport: Internal classroom-based training focused on deepening understanding of Iberia's various business areas.
- Airlines Business & Operations (Airbus): In-person programme aimed at building knowledge about airline operations.
- General Company Knowledge for Commanders and Pilots: Classroom training targeting new commanders and pilots to enhance their understanding of the company and foster a transversal perspective.
- Lunch & Learn: Open, face-to-face sessions available to all Iberia employees, focused on building cross-functional knowledge and encouraging internal networking. The programme saw strong participation, with over 700 attendees during 2024.

Additionally, Iberia has continued to strengthen its Skills Development Programmes:

- These programmes, with a particular focus on leadership and team management targeted executives, newly appointed managers, flight attendants, and Aircraft Maintenance Technicians (AMT) with supervisory responsibilities, supporting the development of leadership capabilities in key roles across the organisation.
- Sales Knowledge and Skills Programme: Aimed at account managers, managers, and sales professionals in Spain and international markets, this programme focused on strengthening commercial capabilities and market understanding.



- “Todo Empieza Conmigo - Fase 2” (It All Starts with Me – Phase 2): A classroom-based development programme tailored for teams in direct contact with customers, including cabin crew, Contact Centre and the Premium Team (protocol services and premium lounges). This second phase focused on premium customer experience and onboard service for the A321XLR. More than 2,490 employees took part in 2024.
- “Todo Empieza Conmigo – Onboarding”: Specifically designed for new cabin crew members, this training supports the development of customer service skills, product knowledge, and service standards from day one.

Aula abierta eLearning training.

In 2024, Iberia continued to promote self-directed learning through Aula Abierta, our open classroom platform, accessible to all employees. Key online training modules included:

1. Skills Development: Courses aimed at enhancing specific competencies such as public speaking, influencing, time management, mindfulness, and more.
2. Diversity Awareness: Microlearning modules from the “Los Cinco Destinos de la Diversidad” (The Five Destinations of Diversity), covering key themes such as disability, unconscious bias, LGTBI, and neurodiversity.
3. Customer Experience: Training for customer-facing teams focused on deepening product and service knowledge, including A350 Next, Gastrobar, Stopover, Wi-Fi and other key offerings.

Average hours of training by groups and work areas

Pilots	71
Cabin Crew	40
Corporate (includes Airline Maintenance)	58
Maintenance (MRO)	47

581,105 total hours of training for Iberia employees

25 % of training online



OHI Organisational Health Survey.

At Iberia, our corporate culture defines who we are. It is the cornerstone of our identity and a key differentiator in the way we do business. Shaped by nearly a century of history, our culture is built on shared beliefs, values and attitudes that guide our day-to-day operations and long-term vision.

As part of Iberia's cultural transformation, understanding the current state of our organisational culture is essential to driving meaningful improvement. To this end, and as part of the IAG Group, we use McKinsey's Organisational Health Index (OHI) as a key tool.

The OHI provides an objective assessment of our organisation's ability to align, execute and renew itself to sustain high performance. Its results allow us to measure, analyse and understand the health of our teams in a clear and actionable way. Specifically, it enables us to:

- Engage employees while guaranteeing confidentiality.
- Identify strengths and areas for improvement, and design targeted action plans.
- Benchmark our position in the market against peers in the industry.

The survey is conducted biannually:

- In May, over 10,190 employees were invited to participate in the full version of the OHI, which measures both results and the practices observed in day-to-day work.
- In November, the "OHI Pulse" was launched to over 10,540 employees, a shorter version designed to "take the temperature" of organisational health and assess progress against action plans.

Based on the insights gathered through the OHI, several action plans were defined and implemented throughout 2024 across various teams and departments. These initiatives directly target improvements in motivation, work environment, leadership, communication, innovation and skills development, among other key areas.



Recognition programmes.

In 2024, we continued to implement two cross-cutting recognition programmes designed to highlight the commitment and dedication of Iberia's people and teams.

25 Years of commitment at Iberia.

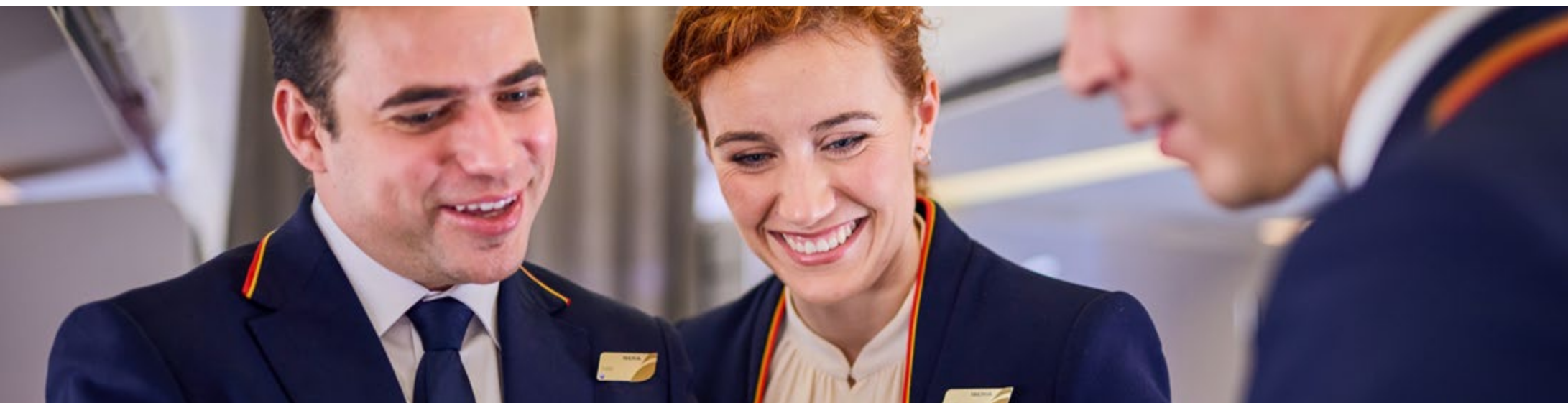
One of our most cherished programmes is the celebration of 25 years of dedication to the company, a major milestone in any professional career. This tribute reflects the personal journeys of those whose commitment has helped shape Iberia's story.

Over the past twelve months, we have honoured more than 625 individuals in various events held across the organisation. These celebrations, attended by members of the Management Committee, publicly recognised the loyalty and achievements of those who have helped us overcome challenges and continue building towards Iberia's next 100 years.

"Tú eres nuestro valor" (You are Our Asset).

This year also saw the consolidation of our internal recognition programme "Tú Eres Nuestro Valor", designed to highlight exceptional contributions aligned with Iberia's six core values: safety is in our DNA, we connect with our customers, we make it simple and efficient, we put soul and passion in what we do, we reinvent tomorrow, and we are one and diverse.

The initiative invites Iberia employees to nominate colleagues whose work embodies these principles. Since its relaunch, the programme has received over 1,820 individual nominations and more than 325 team submissions, resulting in recognition for more than 516 people, either individually or as part of a team.



Iberia Volunteers.

The dedication of Iberia's employees plays a fundamental role in driving the company's sustainability strategy forward. Below are just a few examples of the remarkable efforts and commitment shown by the Iberia Volunteers.

- In the wake of the devastation caused by the hurricane, a wave of solidarity swept through the company. Iberia joined the initiatives launched by NGOs Mano a Mano, Sepla Ayuda, and Aviación Sin Fronteras (Aviation Without Borders), with hundreds of employees making donations, which the company then matched, doubling the total amount raised. This substantial sum provided critical support for the NGOs' projects. Iberia Maintenance also launched a separate initiative to support areas affected by the storm DANA, donating vital personal protective equipment (PPE) for cleaning and debris removal. In record time, an extraordinary logistics chain was organised to send 24 pallets of essential materials, boots, overalls, goggles, gloves, masks, and cleaning products. With the help of Mano a Mano, an additional six pallets of basic supplies were shipped. More than 25 Iberia Maintenance employees and partners, including DHL (who donated their services), made this effort possible. A heartfelt thank you to everyone who gave their time and passion to support those affected.
- Iberia employees also volunteer with the Integra Foundation through two programmes: Escuela de Fortalecimiento (Capacity-building School) and Integra Tech, aimed at individuals facing severe social exclusion or living with disabilities. These programmes empower participants by helping them rediscover their skills, strengthen their confidence, and develop basic digital abilities to support their search for employment and a brighter future.
- Iberia volunteers participate in the Contigo Programme, an initiative by UNHCR and the NGO Diaconía that creates support networks for young refugees. Through the involvement of volunteers from corporate, academic and social sectors, the programme offers companionship, language learning opportunities, and inclusive leisure activities. This initiative stems from the agreement signed between Iberia and UNHCR in December 2023 to support family reunification for refugees in Spain.
- In May 2024, within the framework of this collaboration, Cultural Diversity Day was held at Espacio Iberia Madrid. The event was attended by more than 40 people, including young refugees and volunteers, who toured the space and took part in the various activities offered, such as taking control of a flight simulator, having their photo taken in a replica of one of Iberia's first aircraft, and experiencing innovative virtual reality activities through Meta's Apple Vision Pro and Oculus Quest goggles.
- Iberia employees collaborate as volunteers supporting the activities of Envera's Occupational Centre, proposing initiatives and activities for people with disabilities and their families, or accompanying the shipment of humanitarian aid to projects Envera supports outside Spain. As usual, Envera also organises tailored corporate volunteering programmes at its Comprehensive Disability Centre in Colmenar Viejo (Madrid), which in 2024 welcomed a total of 149 Iberia employees on different days. In May 2024, Iberia organised a Family Volunteering and Inclusion Day at the centre, attended by around 150 Iberia employees and their families. The aim of this event was to learn first-hand about Envera's work and to promote awareness of people with disabilities. Activities included a zumba session, inclusive storytelling, a craft workshop, and planting a garden, among others.
- We supported Aviación Sin Fronteras (ASF) in their solidarity courier project to send aid to the Dominican Republic. ASF volunteers travelled to Milan to collect a special milk donation from an Italian company, delivering it to the children's centre Casa San Marcos in Santo Domingo, which supports children with special nutritional needs.
- Iberia volunteers from all areas also collaborate with two organisations closely linked to the company: the NGO Mano a Mano and the Sepla Ayuda Foundation, contributing to their charitable projects in education, child health and social integration.
- For another year, Iberia and its employees participated in the "Maratón Pa Tós" event, organised by the Gomaespuma Foundation, to raise funds for education projects supporting disadvantaged groups around the world.





Our customers, our *raison d'être*.



At Iberia, we actively listen to our customers, enabling us to enhance their travel experience and build a lasting relationship based on trust.

Passenger transport.

Two thousand and twenty-four has been a great year for our customers.

Prizes and awards.

- In 2024, Skytrax honoured us with their Best Airline Staff in Europe Award, recognising the work and dedication of all those who serve our customers in person or over the phone (cabin crew, contact centre agents, VIP lounges...).
- We also received the 2025 APEX Five Star Global Airline Award, which is based on customer feedback and acknowledges our ongoing efforts to improve, the quality of our products and services, and our focus on customer care.
- In addition, Skytrax published its annual airline ranking, placing us 15th in the Top 100 airlines. This ranking keeps us among the best airlines in the world and strengthens our commitment to maintaining the highest level of service for our customers.
- The Gastronomy Tourism Awards 2024 FIBEGA Awards recognised the culinary innovation of Iberia's in-flight menus, as well as our contribution to promoting gastronomic tourism as a cultural and economic driver.
- We also received the Outstanding Food Service by a Carrier for Europe 2024 award from PAX International.

Our recommendation index (NPS).

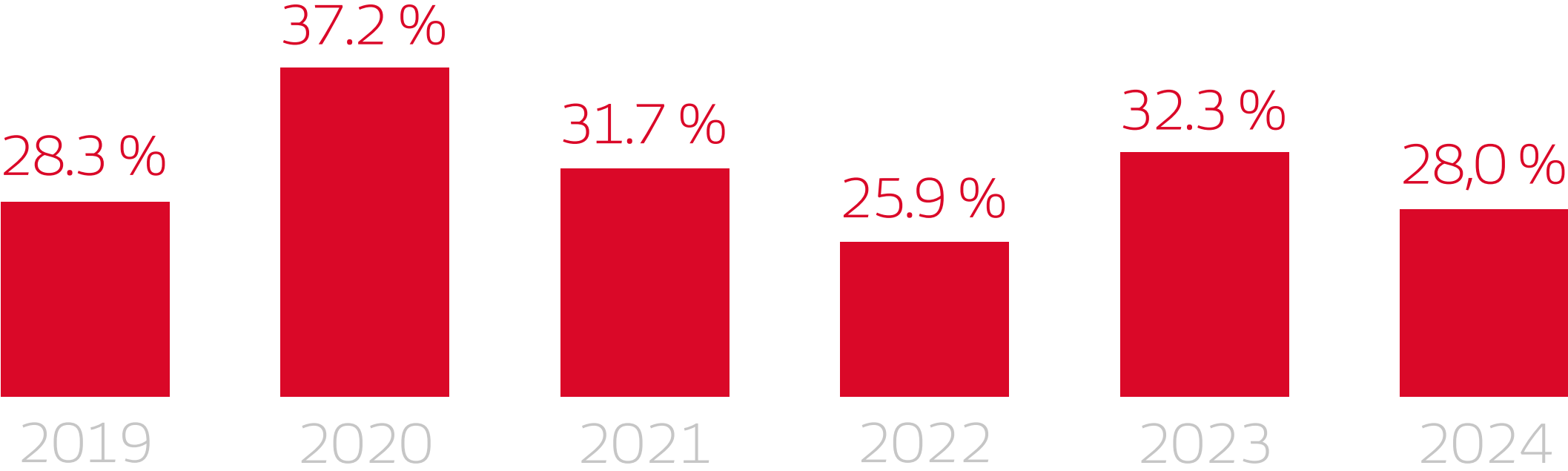
The NPS (Net Promoter Score) is our key indicator for tracking customer experience. It allows us to monitor the day-to-day performance of our service, identify inconsistencies, and continuously improve our offering.

The NPS is calculated from responses to a single survey question sent to customers after their journey: "How likely are you to recommend Iberia to a friend or colleague?" Responses are given on a scale from 0 to 10, where 0 means not at all likely and 10 means extremely likely. Customers who respond with a 9 or 10 are classified as promoters, while those who respond with a score between 0 and 6 are considered detractors. The NPS is then calculated by subtracting the percentage of detractors from the percentage of promoters.

In 2024, the NPS results reflected high standards both in operations and in product offering. Customers noted improvements in our catering services, which led to significantly better results compared to 2023. Ratings for our two VIP lounges in Madrid, the Dalí Lounge in Terminal 4 and the Velázquez Lounge in Terminal 4S, also increased. However, we fell short of our overall target due to operational disruptions caused by congestion at some European airports, labour disputes at several air traffic control centres, and a global shortage of spare parts.



Evolution of the NPS.





Punctuality.

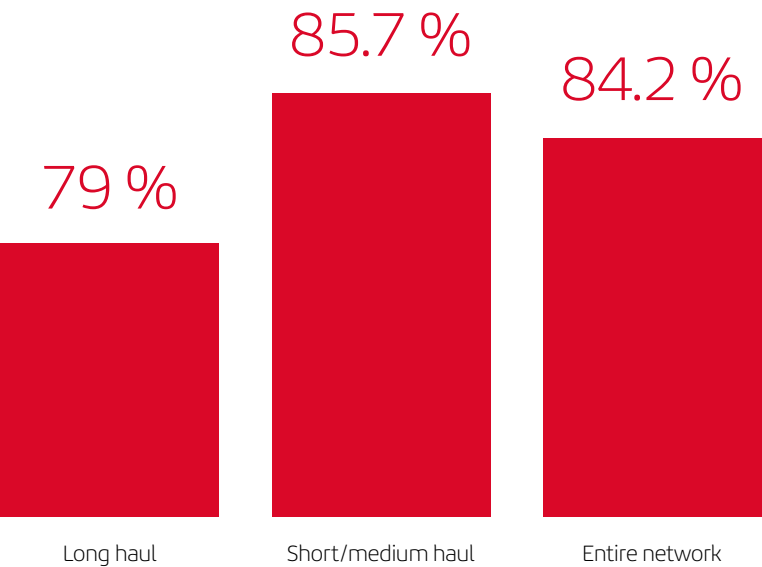
Iberia and Iberia Express were recognised as Europe’s most punctual airlines in 2024, ranking second and first respectively.

Iberia ranked as the second most punctual airline in Europe in 2024, operating a total of 183,268 flights, with 81.58% of them arriving on time, according to Cirium’s On-Time Performance Report, the industry’s leading punctuality benchmark. Once again, this year, Iberia featured in the global top 10, ranking eighth worldwide.

Iberia Express, meanwhile, topped the European ranking with an on-time arrival rate of 84.69%, earning it the title of the world’s most punctual low-cost airline in 2024.

These results are particularly remarkable given the complex challenges faced by the aviation sector this year, including European airspace regulations, congestion at key airports, labour disputes at some air traffic control centres, and a global shortage of spare parts.

Punctuality data 2024.





Products and services improvements.

In 2024, we continued to enhance our products and services through ongoing improvements across every stage of our customers' journey. We introduced new features and implemented updates aimed at delivering a better, more seamless experience for those who choose to travel with us.

More benefits for our Iberia Plus customers.

In 2024, we reinforced our commitment to Iberia Plus members by continuing to enhance the value proposition for our most loyal customers. Key initiatives included:

- **Iberia Plus Bonus:** rewards offered to members who accumulate Elite Points while flying. Since the 1st of April, these points can be used for more than just upgrades. Some of the Iberia Plus Bonus options include:
 - A €20 Iberia Plus voucher.
 - Extra Avios vouchers.
 - An additional Gold Card to gift to a family member or friend.
- **Unified Avios balance:** Iberia and Vueling Avios balances were merged into a single account from September. By year-end, more than 5,000 customers had a unique, consolidated balance.
- **Online upgrade waitlist:** From December, Platinum, Infinita and Infinita Prime members can join an online waiting list for free upgrades when no availability is initially shown, making the process more convenient and accessible.
- **Exclusive flights for Iberia Plus members:** New initiative offering flights available solely through Avios bookings. In 2024, three destinations were offered under this scheme: Catania, Santorini, and Tenerife.
- **Purchase add-ons with Avios:** Iberia Plus members can now use Avios to pay for additional services such as seat selection and upgrades directly during check-in.



Ground experience.

In 2024, we focused on improving our customers' experience at various airports and enhancing our premium services.

- **New services and connections page:** Customers in transit can now access information on how far they will need to walk through the airport to reach their connecting flight. The page provides an estimated time to travel through the terminal, from disembarkation to the next boarding gate, offering greater clarity and peace of mind¹.
- **Exclusive check-in area at Madrid Airport for Business and Esmeralda customers:** A newly designed, more private and refined check-in space has been created for our top-tier customers. Wooden dividers now frame the access to the counters, with a designated seating area for Esmeralda customers, creating a quieter and more comfortable environment for Platinum, Infinita and Singular members.
- **Cabify voucher:** Iberia Plus Platinum, Infinita and Infinita Prime cardholders benefited from a discount voucher for Cabify rides to the airport in Spanish cities where the service operates. The voucher was valid from the 1st of July to the 31st of December 2024.
- **Fast Track in Madrid reopened:** In August, following improvement works by AENA, the fast track security lane at Madrid Airport reopened with new customer service stations and upgraded scanners. These allow passengers to pass through security without removing liquids or electronic devices from their hand luggage.
- **New fast track access for Air Shuttle and selected Premium Economy and corporate fares:** Since October, additional fast lane access has been offered to these customer groups.
- **Updated signage in Madrid arrivals area:** New signage has been installed to help customers resolve baggage incidents more efficiently.
- **Madrid Premium Lounges:** Since July, the food menus in the lounges have been updated more frequently, rotating every two months. The service between breakfast and lunch has been reinforced, featuring a broader variety of Spanish and Mediterranean dishes. Also in July, a new digital tool was launched to enhance the lounge experience, providing customers with detailed information on available services, including menus, toilet and shower locations, and rest areas.

1

[Madrid terminal 4 connections.](#)

2

[Web of incidences.](#)

- New lounges for our customers at Bilbao, Oviedo, Budapest, Salzburg, Innsbruck and São Paulo airports.
- At Madrid-Barajas Airport, we have extended the opening hours at the transit service points in both the NET and SAT areas, guaranteeing 24-hour assistance at one of them to help customers with any queries or arrangements they may need.
- Stopover Hola Madrid: we continue to offer this type of fare and service to customers in transit through Madrid to other countries or destinations, giving them the option to stay in the city for up to 10 days. They can explore the city and enjoy exclusive benefits and discounts on activities and services. In 2024, around 41% more customers have purchased this product.
- We've improved how we manage and communicate with customers in the event of lost baggage through the PIR (Property Irregularity Report):
 - A new, more intuitive and user-friendly platform design.
 - Real-time information on the status of baggage searches.
 - The option to add an Apple AirTag to the claim, if available, to speed up the search process.

Customers can create their PIR online (SelfPIR) via Iberia's incidents website².

The use of AirTags and Bluetooth luggage trackers has grown considerably. These devices allow luggage to be tracked in real time, offering greater peace of mind when travelling. Many customers now travel with an AirTag in their luggage, giving them more visibility on its location than the airline itself. Thanks to an agreement with Apple, customers can now share the location of their baggage with Iberia through the PIR, helping to identify where the luggage is and speeding up its recovery.

Aircraft Cabin Interior.

The incorporation of the new A321XLR aircraft marks a historic milestone for Iberia, as the global launch operator of this model, which has a range of up to 7,500 kilometres in this configuration. It is the first airline in the world to operate transoceanic routes with this narrow-body aircraft. The most relevant projects developed this year include:

- The A321XLR is one of the most efficient aircraft on the market, offering over 40% fuel savings compared to wide-body models. The first aircraft began operations in November 2024 and features satellite connectivity along with high levels of comfort, on par with other long-haul aircraft in Iberia's fleet. It is equipped with the new Airspace cabin and has two cabins: Business and Economy, with a total of 182 seats. The Business cabin has 14 comfortable lie-flat seats with direct aisle access, generous seat spacing, multiple storage compartments for personal belongings, and mood lighting. The Economy cabin is configured with 168 seats, two galley areas, and four lavatories (1 in Business and 3 in Economy), one of which is adapted for passengers with reduced mobility.
- Accessibility on board. We have continued making progress to enhance accessibility and mobility for passengers with special needs, both at the airport and onboard. By December, 60% of our narrow-body aircraft were equipped with onboard wheelchairs, and by January 2025, this has been extended to the entire Iberia fleet. These wheelchairs are compact, lightweight, and foldable, making them easy to handle and ideal for use on board.
- Cabin retrofitting on the A330 fleet. We are refurbishing seat cushions, covers, carpets, and curtains on A330 aircraft to align them with the look and feel of the A350 NEXT cabins. The retrofit programme began on 24 September 2024 and is expected to be completed by winter 2026. Three aircraft were updated in 2024.
- Overhead bin retrofitting on A320 aircraft. In 2024, approval was granted for the installation of XL overhead compartments on the rest of the A320 fleet. These new bins are expected to speed up boarding and disembarkation and reduce the number of gate-checked bags. The first installation is scheduled for March 2025.



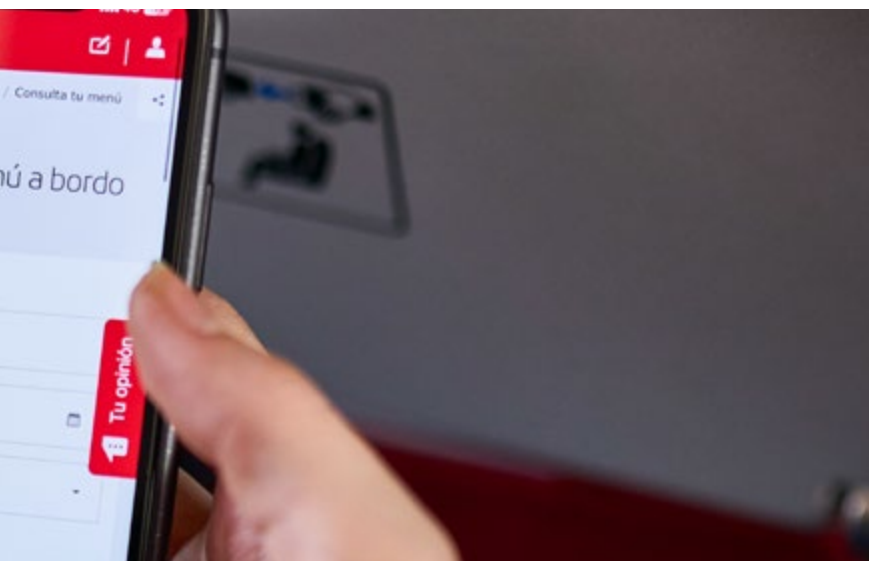
On Board.

- In-flight entertainment system. Iberia offers an entertainment system across its entire long-haul fleet, featuring the latest Hollywood blockbusters, Spanish, European and international films, TV series, programmes and documentaries, as well as sports and travel content. In total, more than 300 films, 1,300 TV and other content items, and 300 audio selections are available.
- Content is updated monthly and grouped into themed categories depending on the time of year or current highlights, such as Valentine's Day (romantic films), Full Throttle (action, thrillers and intrigue), Pride Celebration (films celebrating LGBTI Pride), and It's Christmas! (Christmas-themed content). Since spring, Disney+ content has also been available in the Movies and TV categories with dedicated sections. For the Tokyo route, Japanese films, series and games have been added. From October 2024, the number of films and series with Spanish subtitles has been significantly expanded.
- Interactive Entertainment System (IFE V2). At the end of 2024, the new, more modern and interactive V2 entertainment system, already featured on the A350 NEXT, began to be installed on the rest of the A350 fleet. Installation will continue throughout 2025.
- New safety video. Since February, a new on-board safety video has been shown, featuring participants from our Talento a Bordo (Onboard Talent) programme.
- New onboard service explanation videos. New videos have been introduced to inform Premium Economy and Economy customers about the services available onboard the A321XLR fleet and on flights to Japan. These videos are shown in Spanish and English, with Japanese added for Tokyo-bound flights.
- PressReader. PressReader is the digital press platform that gives customers free access to over 7,000 newspapers and magazines. Content can be downloaded 24 hours before departure and read during the flight. The service is also available in Iberia's Premium Lounges. This initiative contributes to paper reduction and waste minimisation. In 2024, a new "Para ti" (For you) category was added, offering a curated selection of the day's most relevant national and international headlines.

- Iberia Wi-Fi. In 2024, we continued to improve our in-flight connectivity. We now offer two options for Wi-Fi access: on the one hand, free messaging throughout the entire flight for Iberia Plus customers and Business cabin passengers; and on the other, a paid internet service that allows passengers to browse the web, check email and send messages. In July, we live-streamed the Euro 2024 football final onboard our aircraft, marking the first time we provided free Wi-Fi and streaming for all passengers to enjoy a live event of general interest, which was very well received. Since the end of the year, customers can also pay for Wi-Fi packages using Apple Pay.
- Digital menus. Our digital menus are available to view from 30 days before each flight's departure, giving customers more detailed information at the time of booking. This service is available on all Iberia flights and includes a full description of the dishes along with information about potential allergens.
- New toiletry bag designed by Teresa Helbig. In July, we introduced a new sustainable amenity kit for our Business and Premium Economy cabins on long-haul flights. These kits, inspired by Iberia's uniforms, were designed by Teresa Helbig and produced using recycled plastic bottles. They include natural, vegan cosmetic products made from surplus grapes used in our in-flight wines. In addition, the kits are assembled and packaged by the Envera team, which employs more than 400 people with functional diversity.

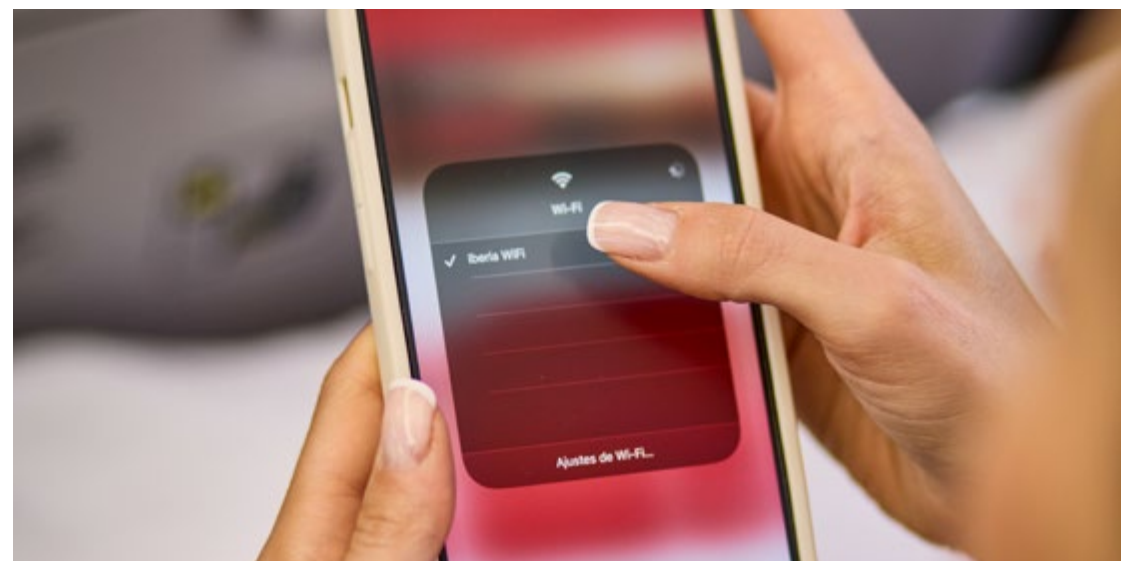
What's new in our on-board menus:

- On overnight short/medium-haul flights (SMH), the cold menu in Business class was replaced with a hot breakfast from March onward.
- In the long-haul Business cabin, a new grapefruit mocktail (non-alcoholic cocktail) is now served as a welcome drink alongside water, orange juice and cava.
- We have introduced new menu designs on flights departing from Madrid.
- On the Tokyo route, since the end of October, our Business class service includes pyjamas and slippers, menus in Japanese, rice available on request, soy sauce, Japanese green tea, and an enhanced snack offering between meals including Japanese snacks.



- Dakar route. We have introduced blankets on this route to improve customer comfort.
- Wines and spirits. A new and enhanced selection of wines has been introduced onboard, along with the addition of premium spirit brands. These offerings are available on long-haul flights in the Business cabin.
- Gastrobar.
 - The onboard menu now includes products that do not contain any of the 14 main allergens, although the complete absence of traces cannot be guaranteed.
 - The Gastrobar@seat service is now available across our narrow-body fleet. This feature allows customers to place orders directly from their mobile devices. A banner on the Wi-Fi portal links to the product selection, enabling a seamless shopping experience.
- Maridae. The Iberia Wine Club has evolved into Maridae, which now not only offers wine but also access to exclusive experiences and products from top private collections¹.
- Pre-order service. In 2024, the number of customers using the pre-order service increased by 80% compared to the previous year. Since March, Business class customers have been able to purchase pre-order items up to 12 hours before departure for flights leaving Madrid, or 18 hours in advance for flights from any European destination. The service is offered free of charge during the flight. Customers are asked if they prefer the onboard menu or their pre-selected item. If they choose the onboard option, their pre-order is provided in a takeaway bag so they can enjoy it at their destination.

Additionally, on long-haul flights, customers can now purchase celebration packs (a bottle of cava and a special cake), and payments via Google Pay are accepted.



More sustainable.

- Madrid VIP lounges: we have installed water fountains in both lounges, enabling us to offer unpackaged water to our customers. This initiative reduces the use of plastic bottles and their environmental impact, promoting more responsible practices aligned with our commitment to protecting the environment.
- New Business and Premium Economy toiletry bags include natural and vegan cosmetic products made entirely from recycled materials. Producing these bags has involved recycling 7.5 million water bottles and saving 1.2 million litres of water.
- Stickers have been installed on waste trolleys and compactors across the fleet to guide cabin crews in proper onboard recycling practices:
 - On short- and medium-haul flights (narrow-body), orange-labelled waste bags are used for cans, bottles, Tetra Brik, plastic wrappers, paper, and plastic or cardboard cups.
 - On long-haul flights (wide-body), the rear galley compactor is used for cans, bottles, Tetra Brik, plastic cups, and wrapping, while cardboard cups are disposed of with general waste for recycling.
- Since October, the first Economy cabin service on long-haul flights includes a bottle of Bezoya water, chosen for its more sustainable packaging and low mineral content.
- Non-slip trays have been introduced in Premium Economy and Economy on long-haul flights, gradually replacing paper tray liners over the summer of 2024.
- The Las Meninas salt and pepper shakers, available as takeaways, are made from recycled material.
- In the premium lounges at Madrid Airport, items are provided on request, and large-format containers have been introduced in the shower areas to eliminate the use of individual toiletry kits.

Beyond our environmental commitment, Iberia is also actively engaged in various social causes. One example is our collaboration with Envera, an organisation founded over 45 years ago by Iberia employees to support the social and professional inclusion of people with disabilities. Envera provides valuable services to Iberia, including managing and packaging our long-haul toiletry kits and providing laundry services.

These initiatives reflect our steadfast commitment to sustainability and our ongoing efforts to enhance customer experience in an environmentally and socially responsible way. We firmly believe that embracing sustainability is key to creating a better future for our customers and the planet.

Improving Customer Support Channels.

In 2024, we introduced several improvements to our complaints handling service..

Bots:

- Integration with OpenAI models to better understand customer intent and provide the most appropriate automated response.
- WhatsApp will facilitate payments through this channel, along with additional services such as seat selection and ticket purchases.
- Voicebot & Biometrics for the Customer Service Centre: migration to a voicebot system for Q&A, aimed at high-value customers.
- FB MSN Bot and Apple Business Chat Bot: activation of our bots on the preferred channels for customers in the US market, with full integration scheduled for 2025.

Customer Centres:

- New incident web form: a streamlined flow for reporting issues while improving data collection and connectivity with our data lake and CRM. By the end of December, 261 complaints had been registered through this form.
- Live chat for baggage queries: personalised service for lost property issues reported via text channels, operational since June. From July, we also began providing live support to customers interacting with the bot via our website.
- New tool for Contact Centre agents: a more user-friendly interface for handling bookings, helping to reduce wait times and improve operational control. The first phase has been available since June 2024.
- More efficient bots: during the second half of the year, a GPT-based quality auditor has been used to detect service patterns and improve the tone and service quality provided by both B2B and B2C teams.





Accessibility plan.

At the end of 2023, Iberia's Customer Experience, Transformation, and Social Impact teams launched an in-depth analysis to improve the travel experience for customers with physical, visual, auditory, and cognitive accessibility needs, focusing on mobility, safety, autonomy, and comfort.

The objectives of the analysis were to:

- Identify areas for improvement across all stages of the journey for each type of accessibility need. This involved interviews with people with disabilities and their families or caregivers, in collaboration with organisations such as Iberia, ENVERA, the Spanish Paralympic Committee, ONCE Foundation, Ilunion Accessibility, and the Spanish Confederation of Autism, among others.
- Learn from best practices in accessibility.
- Scope and prioritise actions to implement, creating a roadmap for continuous improvement.
- Set up a working group made up of individuals with different disabilities who are involved in both the analysis and implementation of solutions, ensuring ongoing service improvement.
- Explore solutions to address the identified gaps, together with this panel of individuals with disabilities, and agree on which ones to implement to ensure an equally satisfactory experience for all customers.

By the end of 2024, the first phase of the action plan is scheduled for launch, with key initiatives including:

- A dedicated accessibility section on the website, offering much more detailed information for each type of need, physical, visual, auditory, and cognitive. This will allow customers to understand all the steps and considerations at each stage of their journey: planning, airport, on board, and arrival.
- A specialised team within the call centre to support customers with accessibility needs. This team is specifically trained to assist customers from the planning stage through to arrival at their destination and is available 24/7.

- The implementation of the Háblalo app helps customers with communication difficulties to express themselves throughout their journey. Deaf people, individuals with cerebral palsy, aphasia, or other conditions that make communication challenging will benefit from this free app.

Using pictograms and short phrases specifically designed for the Iberia experience, the app can play the selected content aloud, enabling communication with others. It also offers translation into eight languages.

With this initiative, we promote autonomy and communication, two of the main pillars of our accessibility strategy.

The Accessibility Plan, a strategic project for Iberia, enhances the experience of customers with physical, visual, auditory, and cognitive accessibility needs, focusing on mobility, safety, independence, and comfort.

These and other improvements stem from interviews with people with diverse accessibility needs and consultations with expert organisations to better understand those needs. This first phase marks the beginning of a journey that will continue throughout 2025 to further improve the travel experience for all our customers.

Clients of Iberia Maintenance.

Iberia Maintenance closed 2024 by consolidating its position as a benchmark in aeronautical maintenance in Southern Europe and making significant progress towards a more sustainable future for the business, thanks to the initiatives implemented across all areas and the continued trust of its clients.

One of the key drivers of long-term business development is the close relationship established with clients. To ensure active listening to their needs and expectations, Iberia Maintenance offers various communication channels: direct, daily contact; a 24/7 channel for monitoring quality and managing incidents or warranties; and tools such as annual satisfaction surveys, (this year, for the first time the Net Promoter Score, NPS, metric has been introduced). These channels enable the development of tailored strategies for each client.

In 2024, Iberia Maintenance expanded its portfolio to more than 120 clients. While the synergies of being part of IAG are evident, the division further strengthened its international reputation, securing over 80% of its new clients from outside the Group. This growth in MRO services is driven by the tailored solutions offered by the commercial team and its competitive positioning in the sector, always aligned with the company's highest standards of excellence in quality and safety.

A track record of more than 95 years in aircraft, engine and component overhaul, maintenance and repair is only possible through a continuous drive for improvement and the ability to adapt to the demanding environment of aeronautical maintenance. But above all, it is thanks to the expertise and dedication of the nearly 2,200 highly qualified professionals at Iberia Maintenance, who work closely with clients, suppliers and regulatory authorities every day.

2024 closes with positive results across all maintenance services, engines, heavy maintenance, components and the training centre, and with steady growth in the workforce, both in terms of new hires and the development of training opportunities to support career advancement. The company also strengthened its sustainability commitments through pioneering initiatives that position it as a leader in the sector, such as the use of Sustainable Aviation Fuel (SAF) during engine testing, making Iberia Maintenance one of the first companies to integrate this technology and reduce CO2 emissions during test operations, and the installation of solar energy systems for self-consumption, which save 2.63 million kWh annually.

With these achievements, Iberia Maintenance reaffirms its commitment to operational excellence, sustainability and innovation, the core pillars of its strategy, as it prepares to take on the new challenges and opportunities that lie ahead in 2025.





Society, development and respect for human rights.



At Iberia, beyond our commitment to the safe transport of people and goods, we strive to promote the well-being of the communities in which we operate.

Socio-economic impact.

Iberia has been flying from Spain since 1927 with a clear purpose: “from Spain, we generate prosperity by connecting people with the world”. Today, this positive impact—felt in every destination we serve—can now be measured with a new tool: a calculator that quantifies the socio-economic impact of our operations across all international routes. This tool measures Iberia’s contribution to the economy and employment in the countries where we operate, and its methodology, along with the accuracy of both internal and external data used, has been verified by AENOR.

The main areas of impact analysed—both in Spain and in our international destinations —include the creation of direct, indirect and induced employment, as well as contributions to the tourism sector’s GDP. In addition to Iberia’s own data, information from Oxford Economics, IATA and the World Tourism Organization was used. The calculator also provides insights into weekly flight frequencies, population figures, and tourist arrivals at Iberia destinations.

Among the first routes studied is Madrid–Mexico City, which supports 11,470 jobs across direct, indirect and induced employment, and contributes €154 million to Mexico’s GDP and nearly €60 million to Spain’s. On the Madrid–Bogotá route, Iberia’s operations help generate 14,932 jobs.





Diversity, Equity and Inclusion Plan.

At Iberia, we believe that every individual is unique, and we aspire to be an organisation that embraces diverse talent within an inclusive and plural environment, one that truly reflects today's society. This belief is embodied in one of the six core values that define us: "Somos uno y diversos" (We are One and Diverse).

In 2024, we continued to strengthen our commitment to diversity, equity and inclusion (DE&I) through the implementation of Iberia's Diversity Plan. This strategic initiative goes beyond gender, encompassing other key dimensions such as generational and cultural diversity (including nationality), the LGTBI community, and people with disabilities.

Effective diversity management enhances our reputation, enriches the experience of both our teams and customers, and serves as a key driver in addressing future challenges. For this reason, Iberia's DE&I Plan is implemented transversally across the organisation, guided by a dedicated governance model and supported by a network of diversity ambassadors. The plan is articulated through more than 30 initiatives, structured around three core pillars:

1/ Awareness and training.

2/ Definition and review of internal processes to ensure their effectiveness.

3/ External communication and reputational impact.

In this way, diversity is woven into the fabric of our organisation, enriching the working environment by fostering greater commitment and a sense of belonging. It also helps us attract and retain top talent, while driving creativity and innovation.

Throughout 2024, we carried out the following key actions:

- We expanded the activity of our dedicated Diversity site, which showcases all information related to the DE&I Plan and helps promote the initiatives stemming from it.
- We continued to organise awareness events and talks aligned with key dates in our diversity calendar, such as International Women's Day, International Day of Persons with Disabilities, International Day for the Elimination of Violence against Women, Pilot or AMT Day, and International Women in Engineering Day, among others.
- As part of the training and awareness programme The Five Destinations of Diversity, we launched new microlearning modules to continue the journey and earn new stamps in the DE&I passport. In 2024, these focused on disability, unconscious bias, LGTBI, and neurodiversity.
- Our "Personas que inspiran" (Inspiring people) programme featured Fernando Romy in an "Intergenerational Coffee" event at Espacio Iberia, where guests from across the company came together to share experiences and perspectives on intergenerational collaboration in the workplace.

- As part of our employer branding efforts, we launched a series of initiatives aimed at raising awareness and attracting talent to careers in the aeronautical sector, such as pilots, engineers, and aircraft maintenance technicians, with a particular focus on gender diversity, given the current underrepresentation of women in these professions.
 - We organised school visits through our "Quiero Ser Piloto" (I Want to Be a Pilot) programme, where Iberia pilots led talks to share their personal experiences and bring the profession closer to younger audiences.
 - Iberia participated as a Silver Partner in Leadinggirls, held at the Palacio de Ferias y Congresos de Málaga, an event designed to encourage over 4,300 students from secondary schools, baccalaureate programmes, and vocational training centres to consider STEAM careers.
 - We also celebrated the third edition of "Quiero Ser" (I Want to Be), a special event in which more than 35 girls aged between 14 and 18 visited our aircraft maintenance facilities in La Muñoz and the CAE flight training simulators.
- As part of the IAG Group, we have committed to achieving 40% female representation in management positions by 2025. By the end of 2024, women held 38% of Iberia's management roles. To continue progressing towards this goal, we launched a new edition of the Take the Lead development programme, with a special focus on promoting leadership and supporting high-potential female talent.
- As part of the Uniform and Image Guide for Pilots, we introduced the neckerchief as an alternative garment to the traditional tie.
- In addition to continuing our sponsorship of Fitur LGTBI, Iberia launched a series of Pride Month initiatives under the slogan "Fly with pride, connecting people we celebrate diversity". These included: LGTBI ambassadors on social media, a 16-metre banner in Madrid's Pedro Zerolo Square, onboard actions such as "Pride cookies" and the iconic Las Meninas salt shaker in Pride colours, and a special closing event held at Espacio Iberia.
- To promote and give visibility to the cultural diversity of Iberia's workforce of over 10,000 employees, we introduced "El Día de País" (Country Day), a space to celebrate talent, traditions and cultural exchange. In 2024, Mexico was the featured country, with activities such as themed information stands, internal competitions, and "Iberia en familia", an event for local teams coinciding with the opening of Espacio Iberia in Mexico City. In parallel, to mark the reopening of our route to Tokyo, we organised a Japanese culture workshop for our commercial and customer-facing teams.
- As part of our commitment to workplace inclusion for people with disabilities, and in collaboration with Envera, Envera hostesses and stewards took part in various Iberia events throughout the year, including diversity and employee recognition initiatives.

- Following a successful pilot phase with our cultural diversity ambassadors, we extended the Contigo volunteering programme to the entire company, with the support of UNHCR and Diaconía. This initiative creates support networks for refugee youth through alternative leisure activities and mentorship, including entertainment, skill-building, and language learning.
- Within the framework of Cátedra Iberia—our partnership with the ESTIAE (Technical School of Aeronautical, Space Engineering), part of the UPM (Polytechnic University of Madrid), we launched several diversity-focused initiatives aimed at fostering stronger links between academia and industry:
 - Launch of Aula Iberia.
A dedicated space serving as a meeting point for ETSIAE students and Iberia professionals, with a packed calendar of activities linked to key dates such as International Women's Day, Pilot's Day, and Engineer's Day.
 - "Despega" (Take-off) mentoring programme.
A six-month mentoring scheme aimed at final-year undergraduates and master's students who want to deepen their knowledge in engineering, business management, and airline operations.
- We continued transforming our leadership model, adopting IAG's leadership competencies with an emphasis on respectful, inspiring, and inclusive management. In this context, the Development Programme for executives and middle managers, including aircraft maintenance technicians, now incorporates a focus on identifying and overcoming unconscious bias to foster more diverse leadership role models.
- In recruitment, we continued reviewing and improving transparent hiring protocols to promote equal opportunities and remove barriers to talent, including opening new channels to broaden our talent pool.
- We enhanced the visibility of our DE&I commitment across multiple platforms, including the Iberia Group website, intranet, forums, events, and panel discussions, while expanding the conversation around diversity through initiatives like Iberia Stories, themed celebrations like: Breast Cancer Awareness Day, International Women's Day, LGTBI+ Pride Week, and employee contributions.
- Lastly, we continued our work to ensure inclusive language is used across all communications and audiovisual materials, both internal and external, with the aim of eliminating stereotypes and promoting respectful representation.





Iberia and Envera.

At Iberia, we are firmly committed to the inclusion of people with disabilities as an essential expression of diversity in today's global society.

Envera is an organisation founded by a group of Iberia employees with children and relatives with intellectual disabilities. Its purpose is to support and guide these individuals in their social and professional integration, so that, as Envera states, "people with disabilities can take their place in the world with dignity." Iberia and Envera have been working together for 47 years to foster equal opportunities for people with disabilities.

Every year, Envera supports more than 5,000 people with disabilities and their families through residential services, occupational and day centres, training programmes, early childhood care (for more than 200 children and young people), job placement schemes and special employment centres that provide stable and protected jobs for 950 people through partnerships with various companies, with Iberia as the main collaborator.

Over the years, Iberia's support for professional inclusion has been especially significant. Envera staff have performed a wide range of tasks for Iberia, from document management, component cleaning and platform support work at La Muñoza, to engine screw sorting, laundry services and the preparation of onboard toiletry kits. In the past year, Envera has expanded its collaboration with Iberia in new ways, including the presence of Envera hostesses at Fitur, Espacio Iberia, and all the corporate events held at our headquarters.

2024 has been a year of intense activity for Envera and Iberia, with a particular focus on awareness-raising. Throughout the year, Envera organised educational and training programmes as well as corporate social volunteering sessions at its Integral Disability Centre in Colmenar Viejo (Madrid), where it welcomed a total of 149 Iberia employees for various workshops.

Iberia also hosted a Family Volunteering and Inclusion Day at the Envera Integral Disability Centre, with around 150 Iberia employees and their families in attendance. The aim of the event was to gain first-hand insight into Envera's work and to help raise awareness around disability inclusion.

We have also involved Envera in our "Cada peldaño suma" (Every step adds up) the stairs instead of the lift at the office, turning this daily action into a friendly competition with a charitable purpose. Step by step, our employees came together for a good cause, raising a solidarity cheque that was donated to Envera and will go towards garden furniture for the Envera residence in Colmenar Viejo.

Iberia employees also volunteer their time to support activities at Envera's Occupational Centre, helping to design initiatives and organise activities for people with disabilities and their families, as well as accompanying shipments of humanitarian aid to the international projects Envera supports.

As in previous years, Iberia has collaborated on the 2025 Envera Solidarity Calendar, featuring individuals with intellectual disabilities from Envera alongside Iberia employees and members of the Royal Aero Club of Spain, a powerful expression of solidarity and inclusion. The calendar was officially presented on the 3rd of December, International Day of Persons with Disabilities, at an event held at Iberia's headquarters.



Commitment to society.

Iberia is aware of the importance of making a positive impact in the communities where it operates. For this reason, it collaborates with social organisations that promote development and well-being for groups at risk of exclusion, both in Spain and in the destinations it serves.

Philanthropy, collaboration with NGOs.

Iberia currently works with over 20 social organisations in Spain and abroad. These third-sector organisations focus their efforts on promoting the inclusion of people with disabilities, supporting disadvantaged children, and fostering the development and social integration of vulnerable groups.

To support these causes, Iberia provides access to its fleet and staff to transport beneficiaries and volunteers and encourages the involvement of its own employees through solidarity and volunteer initiatives.

- Iberia collaborates with Mano a Mano, an NGO founded in 1994 by company employees, facilitating the transport of children who need urgent medical treatment far from home, as well as shipments of humanitarian aid. Iberia also supports projects such as Aula Iberia in Guatemala—a school aimed at promoting employment within the community of Los Tunayes in San Martín Jilotepeque, the only secondary school in this rural area—and Benposta Nación de Muchachos in Bogotá, an educational and care community for underprivileged children at risk of exclusion.
- The Sepla Ayuda Foundation and Aviación Sin Fronteras (Aviation Without Borders) are two other organisations closely linked to Iberia, which the company supports in developing education, health and integration projects for children in African and Latin American countries.
- Iberia also supports the work of the Integra Foundation to promote the employment inclusion of society's most vulnerable individuals, especially women survivors of gender violence. The company collaborates in various ways: by improving access to employment, supporting training programmes, participating in awareness workshops, and through the Avios Solidarios initiative, which allows Iberia customers to donate their Avios to the foundation.

- Iberia and the University of Navarra have signed an agreement to promote cancer research and facilitate the treatment of children from outside Spain. As part of this collaboration, Iberia will donate 60,000 euros to the institution, which will primarily be used to cover the travel costs of these children and their families so they can receive treatment at the Clínica Universidad de Navarra.
- Thanks to a partnership between the Carme Chacón Foundation and Iberia, children with congenital heart disease from vulnerable backgrounds in the Dominican Republic have received specialised medical treatment in Spain, vital to improving their quality of life and reducing the risk of infant mortality.
- Once again, this year, Iberia and its employees collaborated with the “Maratón Pa Tós” organised by the Gomaespuma Foundation, raising funds for education projects that benefit disadvantaged communities around the world.
- ONT (National Transplant Organisation):
 - Iberia collaborates altruistically with the ONT to ensure that organs reach their destination on time to save lives. In 2024, Iberia Group airlines—comprising of Iberia, Iberia Express and Iberia Regional Air Nostrum—transported a total of 133 organs.
 - These included livers and kidneys, which have the longest permissible ischaemia time between removal from the donor and transplantation into the recipient.
 - Since 2013, over 900 organs have been transported by the Iberia Group. This critical mission is only possible thanks to the collaboration and commitment of Iberia's employees, working in coordination with AENA.
- UNHCR:

Iberia has signed a collaboration agreement with the UN Refugee Agency (UNHCR) to facilitate the free transport of refugees and their families to Spain, with the aim of supporting their resettlement and helping rebuild their lives. These transfers take place within the framework of legal or institutional programmes designed for this purpose. This agreement contributes to upholding the universal right to family unity, something millions of refugees and displaced persons lose due to war and persecution. In addition to this agreement, Iberia supports the volunteer initiative led by UNHCR and the NGO Diaconía to help create support networks for refugee youth.



Transport of humanitarian material with the support of IAG Cargo.

For more than two years, Iberia and UNICEF Spain have collaborated to transport humanitarian aid using the cargo holds of the airline's aircraft. In April 2024, Iberia delivered over six tonnes of medical supplies and medicines to support the health and well-being of children and their families, as a preventive measure in anticipation of future humanitarian emergencies in Latin America and the Caribbean.

Another example of this work is Iberia's partnership with the NGO Mano a Mano to transport humanitarian cargo. In 2024, nearly 2,000 kilograms of items, such as crockery, blankets, and pillows donated by Iberia, were shipped to Lima (Peru), where the social organisation Cáritas Peru took charge of distributing them to various projects in vulnerable and high-need areas.

Throughout the year, and in collaboration with these and other organisations, Iberia helped transport around 13 tonnes of humanitarian aid to destinations such as Senegal, Colombia, Guatemala, and Ecuador.

Solidarity following the DANA storm.

In the wake of the devastation caused by the DANA storm, a wave of solidarity was sparked to support those affected. Iberia joined the initiatives launched by the NGOs Mano a Mano, Sepla Ayuda, and Aviación Sin Fronteras (Aviation Without Borders), with hundreds of employees making donations. The company matched the amount raised, doubling the total contribution. This financial support significantly aided the projects run by the three NGOs.

Iberia Maintenance also promoted an initiative to support areas affected by the DANA storm, donating essential PPE to help with cleaning and debris removal. In record time, an extraordinary solidarity effort was mobilised to send 24 pallets of supplies such as boots, overalls, goggles, gloves, masks, and cleaning products. Additionally, in collaboration with Mano a Mano, another six pallets of essential goods were sent. More than 25 employees from different areas of Iberia Maintenance participated in this initiative, along with suppliers such as DHL, who offered their services pro bono.

In the immediate aftermath of the storm, Iberia also donated tickets to facilitate the travel of rescue teams, including Los Topos from Mexico, a canine rescue team from Germany, and fire brigades operating within Spain.

Customer solidarity: UNICEF and Solidarity Avios.

At Iberia, we believe in the power of our customers' solidarity to amplify our social impact. That's why we offer programmes that allow them to contribute meaningfully. One of these is our long-standing collaboration with UNICEF, which began in 2013.

Iberia was the first airline in the world to activate UNICEF's micro-donation system for online ticket purchases. When booking through iberia.com, customers can support UNICEF's child immunisation work by donating between €3 and €20. This initiative has helped provide vaccines and medical supplies for national immunisation programmes in countries such as Afghanistan, Angola, Chad, Cuba, the Democratic Republic of Congo, Nigeria, Pakistan, South Sudan, and Yemen. It also supports the training of healthcare workers and the delivery of awareness campaigns to promote vaccination. Over the past decade, Iberia has enabled the routine vaccination of more than 1.3 million children across nine countries on three continents, thanks to contributions from its customers and employees.

As part of World Immunisation Week, celebrated in the last week of April, Iberia and UNICEF Spain launched a global storytelling campaign, offering a glimpse into the lives of children for whom vaccination is vital to survival, health and development. Among these was the story of Malena, a 10-month-old baby who received her vaccines at a mobile health post in Macuia (Luanda, Angola). This initiative marked the ten-year anniversary of the partnership between Iberia and UNICEF Spain.

In addition, Iberia offers the Avios Solidarios programme, which allows Iberia Plus members to donate their Avios to nine social organisations focused on child health, supporting disadvantaged children, promoting the integration of at-risk groups, and international development. These donations have a major impact, as the organisations can redeem the Avios for flight tickets to transport their beneficiaries and staff.

The nine organisations involved in Avios Solidarios are: Fundación Aladina, Aviación Sin Fronteras, Ayuda en Acción, Envera, Fundación Integra, Mano a Mano, Fundación Sepla Ayuda, 38 Grados, and Save the Children. By the end of 2024, these organisations had redeemed over 450 tickets through this programme.

Awareness-raising.

We are aware of our capacity to raise awareness and positively influence our employees and society as a whole regarding current social challenges. That is why we carry out initiatives that foster understanding and visibility of these issues.

- As in previous years, Iberia collaborated on the 2025 Envera Solidarity Calendar, featuring people with intellectual disabilities from Envera, alongside Iberia and the Royal Aero Club of Spain, as a symbol of solidarity and inclusion. The calendar launch event was held at Iberia's headquarters on the 3rd of December, coinciding with the International Day of Persons with Disabilities. This event also served as a tribute to the victims of the DANA storm and a gesture of gratitude to the volunteers and solidarity networks in which Envera actively participated.

- “Accessibility in Air Transport: Challenges and Opportunities” was the title of the event jointly organised by Iberia and British Airways at Espacio Iberia in Madrid. The meeting brought together employees from all areas of the company, as well as accessibility experts from AENA, Airbus, Fundación ONCE, Ilunion and Envera, among others. The discussion focused on the challenges and opportunities in this field, and on the importance of cooperation among all the stakeholders involved in the travel chain to create an action plan to improve the experience of people with disabilities. Several disability organisations also took part, sharing their perspectives on how to enhance the travel experience.
- On International Women’s Day, and in collaboration with Uttoppy, Iberia hosted a workshop at its headquarters focused on deconstructing gender bias. Employees from across the company attended the session, where they explored how to overcome unconscious prejudices and make more competitive, compassionate, and equitable decisions.
- Iberia offers its employees five microlearning modules titled “Los Cinco Destinos de la Diversidad (The Five Destinations of Diversity), a training programme designed to raise awareness of the five pillars of Iberia’s Diversity, Equity and Inclusion Plan: gender, generational, cultural (nationalities), LGTBI, and disability.
- As part of Iberia’s Diversity, Equity and Inclusion Plan, and to mark the International Day for the Elimination of Violence Against Women, several awareness-raising initiatives were launched. One of these was a talk on human trafficking, organised in collaboration with the Betania organisation and attended by members of Spain’s security forces. Given that victims of trafficking often travel by plane and pass through airports, it is crucial for our staff to be able to identify warning signs. In addition, we used this occasion to reinforce awareness of our collaboration with Fundación Integra, which helps women affected by gender violence and individuals at risk of exclusion regain control over their lives through employment.

The Spanish Paralympic Team flies to Paris 2024 with Iberia.

Iberia is proud to sponsor the Spanish Paralympic Team at the Paris 2024 Games. Under the renewed agreement, the entire delegation—around 300 people including athletes, coaches, medical staff and support personnel—flew to Paris with Iberia. This complex operation involved the coordination of multiple areas of the company (Groups, Sustainability, Ground Operations, Production, Communication, Marketing, Fleet, and airport teams in both Madrid and Paris) and the transport of significant luggage, including 43 wheelchairs. Iberia is honoured to be part of the Paralympic family, a shining example of perseverance and resilience.

Human rights and modern slavery.

The principles of fair and equitable treatment, non-discrimination, legal compliance, and respect for human rights are fundamental pillars of our Code of Conduct, IAG’s Ethics and Compliance Framework, and the Third-Party Code of Conduct. IAG’s Code of Conduct is binding for all employees and is shared with all relevant stakeholders. Comprehensive training and development programmes are provided to ensure that employees fully understand the principles outlined in the Code.

In 2024, IAG introduced a dedicated Human Rights Policy to reinforce its commitment to conducting business in a manner that respects the dignity and rights of all individuals. This policy reaffirms the Group’s adherence to the United Nations Guiding Principles on Business and Human Rights and covers key issues such as diversity, equal opportunity, labour standards, freedom of association, and the prevention of forced and child labour, modern slavery, and human trafficking.

As in 2023, IAG reported no known incidents of human rights violations within the Group during 2024.

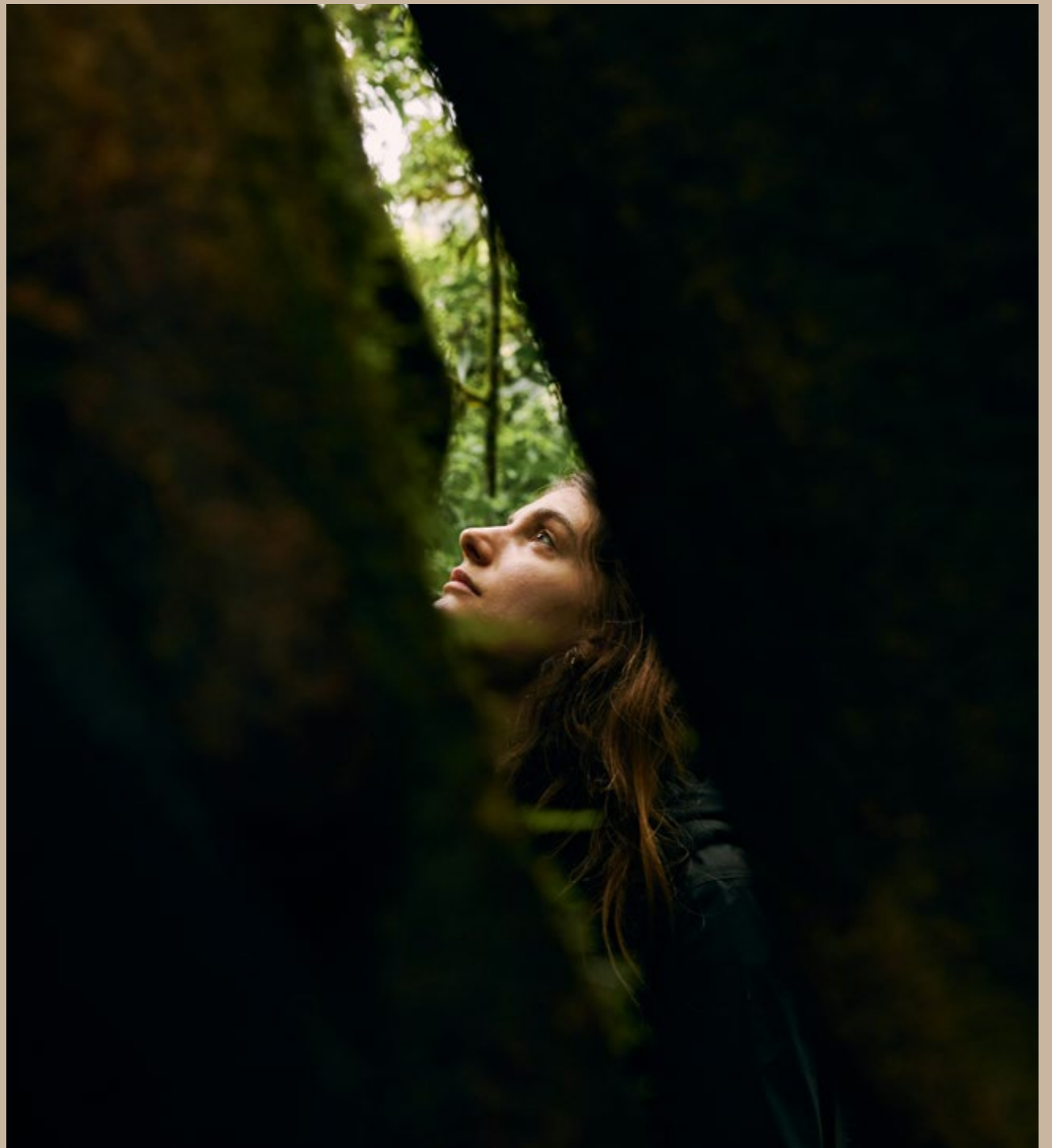
IAG’s Modern Slavery and Human Trafficking Statement outlines the specific risks and actions undertaken in this area and is publicly available on the Group’s website. This statement is issued in accordance with Section 54, Part 5 of the UK Modern Slavery Act (2015) and Section 11(4)(b)(ii) of Canada’s Combating Forced Labour and Child Labour in Supply Chains Act (2023).

IAG remains fully committed to acting swiftly and decisively should any evidence of slavery, human trafficking, or labour abuse be identified within its operations or supply chain.

In line with this commitment, in 2024 Iberia delivered awareness training to frontline staff, offering practical guidance on how to identify and respond to potential cases of human trafficking. Clear reporting procedures have also been established to ensure that any suspected cases can be escalated and addressed appropriately.



Chapter five. A more environmentally friendly journey.







Chapter five. A more environmentally friendly journey. Highlights.

Commitment to sustainability.

- The incorporation of the new Airbus A321XLR strengthens the long-haul fleet in a more sustainable and innovative way.
- We continue to optimise operations to reduce emissions across our network.
- SAF¹:
 - IAG has committed \$3.5 billion in SAF purchase agreements.
 - Target of 10% SAF usage across operations by 2030.
- We hold the IATA IEnvA certification, which supports continuous improvement in our environmental performance.
- Over 1,500 employees have completed training in industrial waste management.
- Our photovoltaic plant will prevent the emission of approximately 13,600 tonnes of CO₂ over its lifetime.
- The Zero Cabin Waste project continues to enhance waste management on board our aircraft.
- We have improved the efficiency of our operations, achieving 66.50 gCO₂/pkm².
- Since 2019, all electricity consumed at Iberia-owned facilities has been sourced from 100% renewable energy.

Solutions for a sustainable transition.

- We participate in the IAGOS project, contributing to the measurement and monitoring of air quality in the South Atlantic region.
- All4Zero is the first industrial innovation hub focused on developing technologies to achieve net-zero emissions by 2050.

1

SAF = sustainable aviation fuel.

2

Grams of CO₂ per passenger-kilometre.



Environmental responsibility.



Our environmental policy provides the foundation for our strategy to minimise environmental impact, ensure regulatory compliance, and manage the risks and opportunities of the energy transition.



Fleet renewal.

Iberia is renewing its fleet in the most sustainable and innovative way, in line with its commitment to reducing emissions across its operations.

- In November 2024, Iberia became the global launch carrier for Airbus' new A321XLR. This aircraft joined the airline's long-haul fleet to reinforce it in a more sustainable and innovative way, offering the possibility of operating transoceanic routes with a narrow-body aircraft. This will enhance Iberia's network of destinations, with a particular focus on the Americas. The A321XLRs not only increase the number of aircraft with transatlantic range, but also enable a more efficient use of the fleet based on the demand in each market.
- In 2024, we also added an A350 Next to the fleet. Equipped with cutting-edge technology and designed for maximum efficiency, this aircraft improves comfort in all cabin classes, offering greater privacy, spaciousness and new lighting environments. It also features the latest in in-flight connectivity and entertainment, allowing customers to fully enjoy the travel experience.

The Iberia Group currently operates a fleet of 165 aircraft: 94 belong to Iberia (including A350, A330 and A320 family models), 25 to Iberia Express (A320 family), and 46 to Air Nostrum.

Improving operations.

Another key factor in our efforts to reduce emissions is improving operations, ensuring every flight is conducted as efficiently as possible, with safety as the cornerstone of all activity. Achieving the highest standards of efficiency requires analysing each flight individually and incorporating as much real-time data as possible. Flight preparation begins several days before departure, based on preliminary data such as reservations, cargo to be transported, and statistical studies on route performance. A flight plan is then created and gradually refined as the departure time approaches, with final checks made approximately 30 minutes before take-off. These consider the actual number of passengers and cargo loaded, as well as up-to-date weather conditions along the route. Once the engines are started, several initiatives are implemented to reduce the environmental impact of the operation, including:

- Single-engine taxiing (SETI/SETO): On departure and arrival, and when taxi times allow, one engine is shut down to reduce ground-level emissions and noise pollution.
- Limiting the use of the Auxiliary Power Unit (APU): Plugging aircraft into the airport's power supply greatly reduces both noise and emissions during ground operations.
- Efficient take-offs and approaches: In coordination with air traffic control (ATC), we adopt procedures such as continuous climb and descent paths, which help reduce noise and improve flight efficiency.

One of the most significant variables affecting efficiency is flight weight. At Iberia, we are committed to initiatives that reduce weight while maintaining the quality of service we offer our customers. Examples include installing lighter seats and trolleys, adjusting the amount of drinking water loaded onto flights, eliminating printed press on board, and replacing traditional flight plans with Electronic Flight Bags. Aircraft and engine maintenance is also key to ensuring both safety and operational efficiency. In recent years, Iberia has upgraded its engine maintenance and cleaning programmes with the latest technologies to enhance performance, reduce particle emissions, and ensure engines operate at peak condition at all times.



Our commitment to Sustainable Aviation Fuels (SAF).

SAFs are alternative fuels to paraffin produced from renewable raw materials. Those derived from biomass are known as biofuels, while among those of non-biological origin, synthetic fuels—also known as electrofuels, e-fuels, or power-to-liquid (PtL) fuels—are produced using renewable electricity through the synthesis of hydrogen, alcohols, and other compounds, achieving significant emission reductions. The key advantage of synthetic fuels lies in their scalability, as they are not limited by biomass availability, unlike biofuels. To be considered sustainable, these fuels must meet several sustainability criteria established by Directive 2018/2001 on the promotion of renewable energy (RED II). This regulation ensures that fuels are of renewable origin, do not compete with food production, and are not linked to deforestation or excessive freshwater consumption. Directive 2023/2413 later revised these criteria, expanding the range of validated feedstocks for SAF production, among other updates.

The main environmental benefit of SAFs is their significantly lower carbon footprint—up to 80–90% lower than that of traditional jet fuels—which translates into a substantial reduction in CO₂ emissions over the fuel's lifecycle. SAFs share the same physicochemical properties as conventional aviation fuel, meaning they can be used without modifications to aircraft engines or airport infrastructure. IAG's environmental strategy strongly promotes SAF adoption, with a target of using SAF for 10% of all flights by 2030 and an investment plan of approximately \$865 million over the next two decades, a figure that continues to grow. As of the 31st of December 2023, IAG had already committed over \$1 billion to SAF investments. By February 2024, the Group had secured one third of the SAF required to meet its 2030 target.

In 2024, IAG signed an agreement with multi-energy company Repsol to purchase more than 28,000 tonnes of SAF, the largest such transaction in Spain to date. By the end of the year, IAG had committed \$3.5 billion to SAF purchase agreements, bringing the Group closer to its 10% SAF target. For the Iberia Group, SAF consumption increased fourteen-fold in 2024, thanks in part to this agreement and others, such as the partnership with Inditex to supply SAF for reducing the carbon footprint of air freight.

IEnvA Certification.

In 2023, Iberia obtained IEnvA certification, a voluntary programme developed by IATA that independently assesses our commitment to improving environmental performance. Based on standards and best practices aligned with ISO 14001 (Environmental Management), IEnvA leverages IATA's expertise to tailor these requirements specifically to the aviation sector, using other reference systems such as Safety (IOSA) to adapt governance, oversight, and control processes accordingly.

As part of the certification process, all relevant documentation was reviewed and developed to meet the implementation requirements set by IATA across a range of management plans. These were structured according to the certification's scope, covering flight operations, ground operations, maintenance, and corporate activities. For each area, dedicated committees were formed, objectives were defined, and all necessary supporting documents for system development were produced. The entire system underwent an internal audit prior to the external audit conducted by IATA.

Achieving IEnvA certification is a clear milestone in Iberia's strategy to drive sustainability and strengthens our commitment to reaching our 2050 environmental targets with the support of IATA.

Sustainability training.

In 2024, we made an industrial waste management course available to employees whose roles are linked to aircraft maintenance. The course covered the entire waste lifecycle, from generation to treatment, including segregation, storage, and transport. More than 1,500 employees completed the course.

Additionally, a course on sustainable aviation fuel (SAF) production was also delivered to company staff in 2024. The course content was developed in collaboration with the UPM (Polytechnic University of Madrid), through the Escuela Técnica Superior de Ingenieros Industriales (Technical School of Industrial Engineering), to tailor it to the needs of the various departments beginning to engage with SAF-related matters. The training aimed to provide a broader understanding of this key element for the future of aviation. Starting with a global overview of SAF, the course explored core topics such as the different production pathways, highlighting the complexity arising from the required raw materials and the various generation methods, while also identifying the industry's main technological challenges.

Iberia flies thirty red kites to support the conservation of the species.

This initiative is part of a collaboration with AMUS—Acción por el Mundo Salvaje (Action for the Wild World), an NGO dedicated to the protection of endangered species. The red kite is a medium-sized bird of prey that is currently listed as “near threatened” in Europe under the EU Birds Directive. In Spain, the species is now rarely seen, especially in the southern half of the peninsula, where it is virtually extinct.

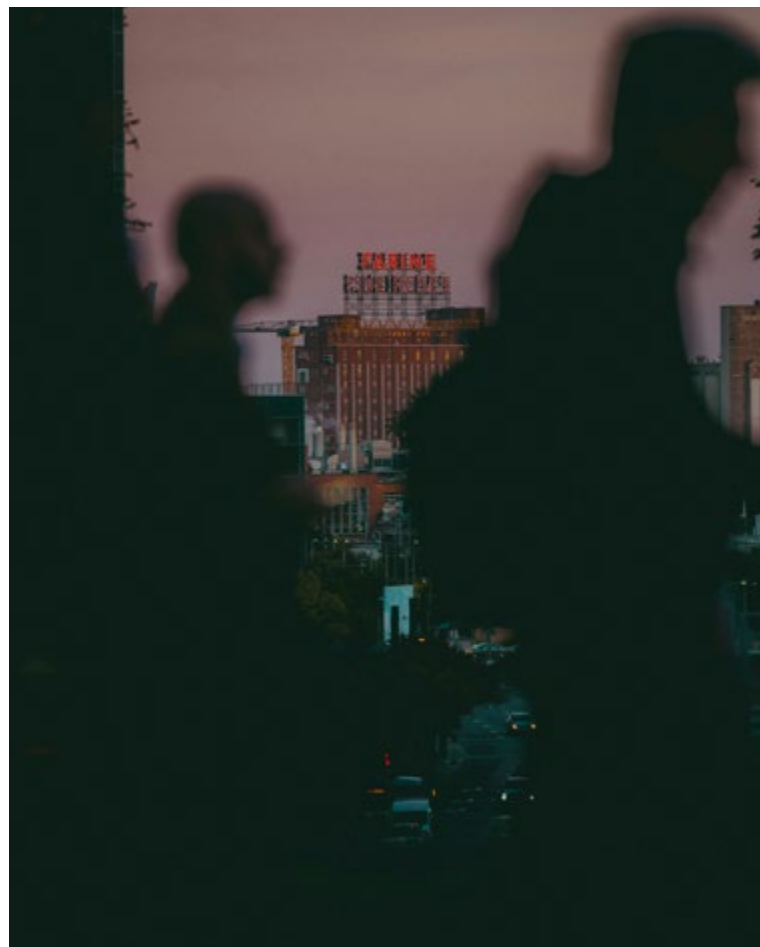
To help reverse this trend, AMUS has launched a reintroduction project in the southwest of Spain to strengthen the species' population in the area most affected by its decline. This initiative is part of the European Union's LIFE-Eurokite programme, which focuses on the protection of red kites across the continent.

Iberia has joined this important conservation effort by transporting young red kites from the United Kingdom to Spain, an essential step in making the project a reality. The birds travelled safely in the hold of an Iberia flight from London to Madrid. In 2023, 32 chicks were flown over, and in 2024, another 36 followed. On arrival at Madrid-Barajas Airport, AMUS staff were on hand to receive the birds and transfer them to the organisation's facilities in Badajoz.

The red kites were later released in the southwest of the peninsula, boosting the size of the breeding population and marking a significant milestone for their conservation in Spain.

This story is especially poignant: it represents the return of red kites originally taken from Spain to the UK in the late 20th century to help bolster their numbers abroad. Decades later, their descendants are making the journey back to their ancestral home. This historical connection was one of the key reasons why the UK was chosen as a donor country, since the birds share genetic similarities with the remaining Spanish population, making their adaptation and reintroduction more viable.





Energy and climate change.



Climate change management is fully integrated into our strategy, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Photovoltaic plant.

In 2024, Iberia accelerated the implementation of its sustainability strategy at the La Muñoza complex, home to its Maintenance operations. In partnership with Getting Greener—a company specialising in energy efficiency and renewable energy management—the airline expanded its network of photovoltaic systems for self-consumption at three key facilities: the engine test bench, the service centre, and Hangar 6.

These new installations have a combined capacity of 2.63 megawatts and are expected to avoid more than 13,600 tonnes of CO2 emissions over their 25-year lifespan, equivalent to the energy consumption of more than 3,500 households during that time. They complement the existing photovoltaic system installed in 2021 on the roof of the engine workshop, which generates approximately 2.73 million kWh per year.

La Muñoza currently consumes 43 million kilowatt-hours of electricity annually, with 5.4 million kWh, around 12.5%, already covered by the installed photovoltaic panels.

Iberia Forest.

Iberia's sustainability strategy is driven by the commitment of its employees, whose efforts and dedication are key to bringing it to life and giving it real impact. Initiatives such as the Iberia Forest and the Iberia Volunteers programme are clear examples of this engagement. The Iberia Forest is a small-scale reforestation project located in Paracuellos de Jarama, near Madrid Airport, and was initiated by Iberia employees themselves. It reflects Iberia's dual commitment to supporting local communities and contributing to the fight against climate change.

In 2019, a group of employees, accompanied by the Chairman and Management Committee, along with representatives from the Paracuellos Town Council, planted the first 1,500 trees. These continue to thrive today. In October 2022, the third and final phase of the project was completed, with over 170 employees planting the final 1,000 trees to fulfil the commitment made to the municipality. The project has resulted in the reforestation of an eight-hectare area with more than 4,000 native trees and shrubs, including willows, dogwoods, rosemary, poplars, elms, junipers, holm oaks, and pines, creating a recreational green space for the residents of Paracuellos de Jarama. Iberia has also signed an agreement with the local council to maintain this area for the next 30 years.





Circular economy.



At Iberia we promote a circular economy to make more efficient use of resources, an approach that not only delivers a competitive advantage, but also improves our environmental performance.



Zero Cabin Waste.

In 2016, Iberia launched the Zero Cabin Waste project to establish a sustainable waste management model for waste generated on board both domestic and international flights, with the goal of recycling 80% of total cabin waste. The project's waste management model was implemented in 2019, introducing selective waste collection on all Iberia flights. Recognised for its innovation and impact, the project received an award at the 2nd edition of the go!ODS Awards for its contribution to Sustainable Development Goal 12 (responsible consumption) and has since become a best-practice benchmark within the industry.

Selective collection applies to all types of waste produced on board. This includes both Category 3 waste (from domestic and intra-European flights) and Category 1 waste (from international flights). On domestic and intra-European routes, waste is separated into two streams: recyclable (plastic and aluminium containers, paper, and Tetra Brik cartons) and non-recyclable (organic waste, security seals, napkins, etc.). On international flights, waste management solutions vary by destination. In countries with advanced waste regulations, such as Costa Rica, management can mirror European practices. However, international regulations generally prohibit the recycling of Category 1 waste, which must therefore be incinerated.

The Zero Cabin Waste project shows that more sustainable waste management is achievable, even in aviation. Of the 3,834 tonnes of cabin waste generated in 2024, 94 tonnes of glass were fully sorted and recycled. Of the remaining 3,740 tonnes, 47% was successfully recycled. However, due to international regulatory constraints, recycling Category 1 waste remains restricted.

Making our customer service more sustainable.

As part of our sustainability strategy, we have redesigned our entire service with the goal of reducing single-use plastics, increasing recycling wherever possible, and minimising waste per flight. While there is still work to be done, we have already implemented the following actions this year:

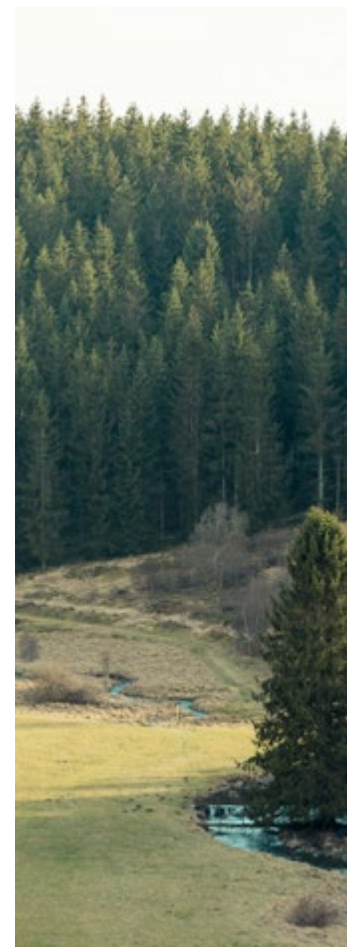
- VIP lounges in Madrid: Water fountains have been installed in both of our lounges to offer packaging-free water to our customers. With this initiative, we aim to reduce the use of plastic bottles and their environmental impact, while promoting more responsible practices aligned with our environmental commitments.
- New JC and WC amenity kits: These are made entirely from recycled materials and include natural, vegan cosmetic products. The production of these kits has involved the recycling of 7.5 million plastic bottles, saving approximately 1.2 million litres of water.
- Onboard recycling reminders: We have added clear signage to waste trolleys and compactors across our fleet to support proper recycling by cabin crew:
 - Short- and medium-haul flights (narrow-body): The orange-labelled bag in the waste trolley is designated for cans, bottles, Tetra Briks, plastic wrapping, paper, and plastic or cardboard cups.
 - Long-haul flights (wide-body): The rear galley compactor is used for cans, bottles, Tetra Briks, plastic cups and plastic wrapping. Cardboard cups should be disposed of with the general waste, as they are recyclable.

- New water bottle in the first long-haul Economy service: Since October, we have been including a Bezoya-brand water bottle on the service tray. This bottle features more sustainable packaging and contains lower-mineralised water of higher quality.
- Non-slip trays in Premium Economy and long-haul Economy cabins: Introduced in the summer of 2024, these trays have eliminated the need for paper covers.
- Las Meninas salt and pepper shakers: These takeaway items are made from recycled materials.
- Premium Lounge services at Madrid airport: Items are now offered on request, and large-format containers have been introduced in the shower areas, eliminating the need for individual toiletry kits.

Beyond our commitment to environmental sustainability, Iberia is also deeply engaged with social causes. One example is our long-standing partnership with Envera, an organisation founded over 45 years ago, by Iberia employees. Envera supports the social and professional inclusion of people with disabilities and provides valuable services to Iberia, such as managing amenity kits for long-haul flights and handling laundry services.

These initiatives reflect our firm commitment to sustainability and our ongoing efforts to enhance the customer experience in both environmentally and socially responsible ways. We believe that embracing sustainability is key to building a better future for our customers and the planet.





Solutions for a sustainable transition.



Our commitment to the energy transition and the current environmental crisis drives us to seek solutions that improve our environmental performance across all areas.



All4Zero.

All4Zero, the industrial technology innovation hub founded by ArcelorMittal, Holcim, Iberia, and Repsol, launched its first open call in 2024 with five core challenges: efficient carbon capture and emissions reduction, water resource management, enhanced efficiency in renewable hydrogen production, the generation of SAF (Sustainable Aviation Fuel) and other renewable fuels, and CO2 mineralisation along with the use of waste-derived materials. The call attracted strong interest both nationally and internationally, with 186 proposals submitted in response to these five challenges aimed at reducing industrial emissions.

On the 20th of June 2024, the hub unveiled 12 selected technology solutions designed to help reduce emissions and promote a circular economy, accelerating the transition to a more sustainable industrial model. These solutions tackle the key areas of water resource management, renewable hydrogen production, CO2 capture and utilisation, waste management, and the production of SAF and other renewable fuels.

All4Zero is now advancing these technologies through proof-of-concept (PoC) developments, carried out in the laboratories and industrial facilities of its partner companies, supported by leading technologists and scientists from major industrial firms. This initiative underscores All4Zero's commitment to industrial transformation and emissions reduction, fostering innovation and global collaboration among startups, research centres, and universities to help reach net-zero emissions by 2050.

This progress has been made possible thanks to the support of participating companies and organisations including Enagás, Aitex, Exolum, Hijos de Rivera, Sacyr, Técnicas Reunidas, Urbaser, Magna, and Airbus, which recently joined the initiative. All4Zero also works in close collaboration with research and technology partners such as Tecnalia, IMDEA Energía, CIAE (the Iberian Energy Storage Research Centre), CENER (the National Renewable Energy Centre), CSIC (the Spanish National Research Council), Eurecat, and Idonial.

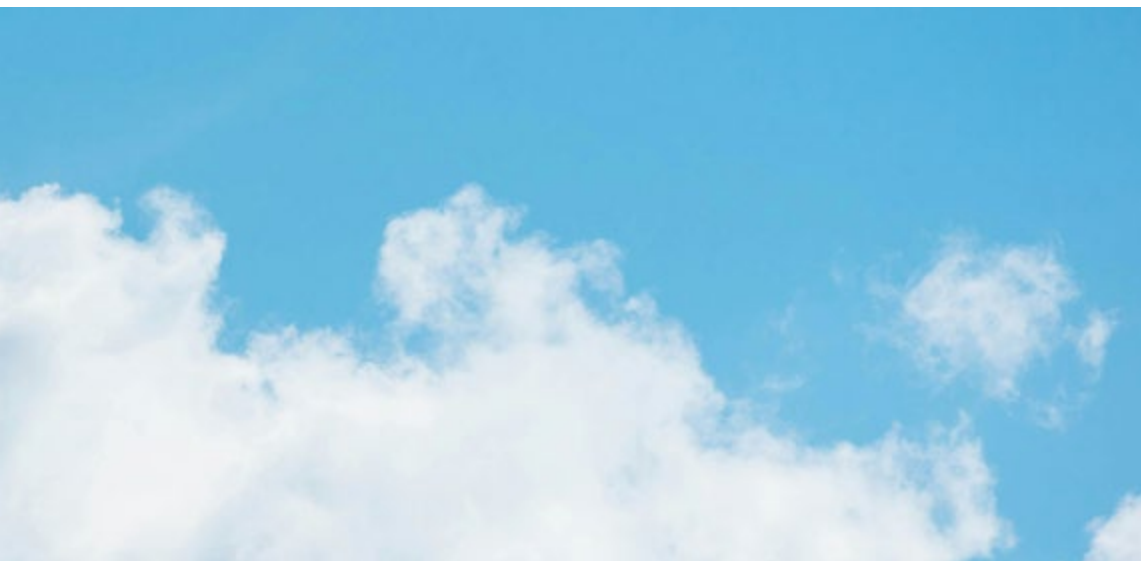
IAGOS.

In 2024, we continued our participation in the European IAGOS project, aimed at monitoring air quality in the South Atlantic. This initiative brings together the expertise of scientific institutions and the infrastructure of civil aviation to collect essential data on climate change and air quality. The data gathered contributes to a better understanding of atmospheric composition, helping to improve the accuracy of climate and weather models.

One of our Airbus A330-200 aircraft, which operates on routes to Latin America, has been equipped with IAGOS instrumentation on a permanent basis. This allows for the continuous measurement of the chemical composition of the atmosphere (H2O, O3, CO, CO2), as well as airborne particles such as aerosols and clouds. The system enables detailed analysis of atmospheric quality and composition at high altitudes and over remote areas of the Atlantic Ocean, providing both long-term data and near real-time information to meteorological services. These measurements play a crucial role in forecasting future weather patterns and shaping climate policy.

Additionally, the aircraft has been fitted with an extended sensor package to measure nitrogen oxides (NOx), one of the most impactful greenhouse gases. The system records data during take-off, cruising, and landing phases, operating autonomously without requiring crew intervention. Once the aircraft lands, the data is automatically transmitted for analysis.

The installation was carried out by our maintenance team at La Muñeza. Modifying the aircraft to house the IAGOS system required structural adjustments within the avionics bay, including anchoring to the primary structure and installing racks to hold the scientific instruments. An external sensor inlet was also mounted using a pre-existing provision in the aircraft's fuselage, originally designed for such modifications. The integration of advanced instrumentation into commercial aircraft provides access to atmospheric data that would be impossible to capture using only satellites or ground-based stations.



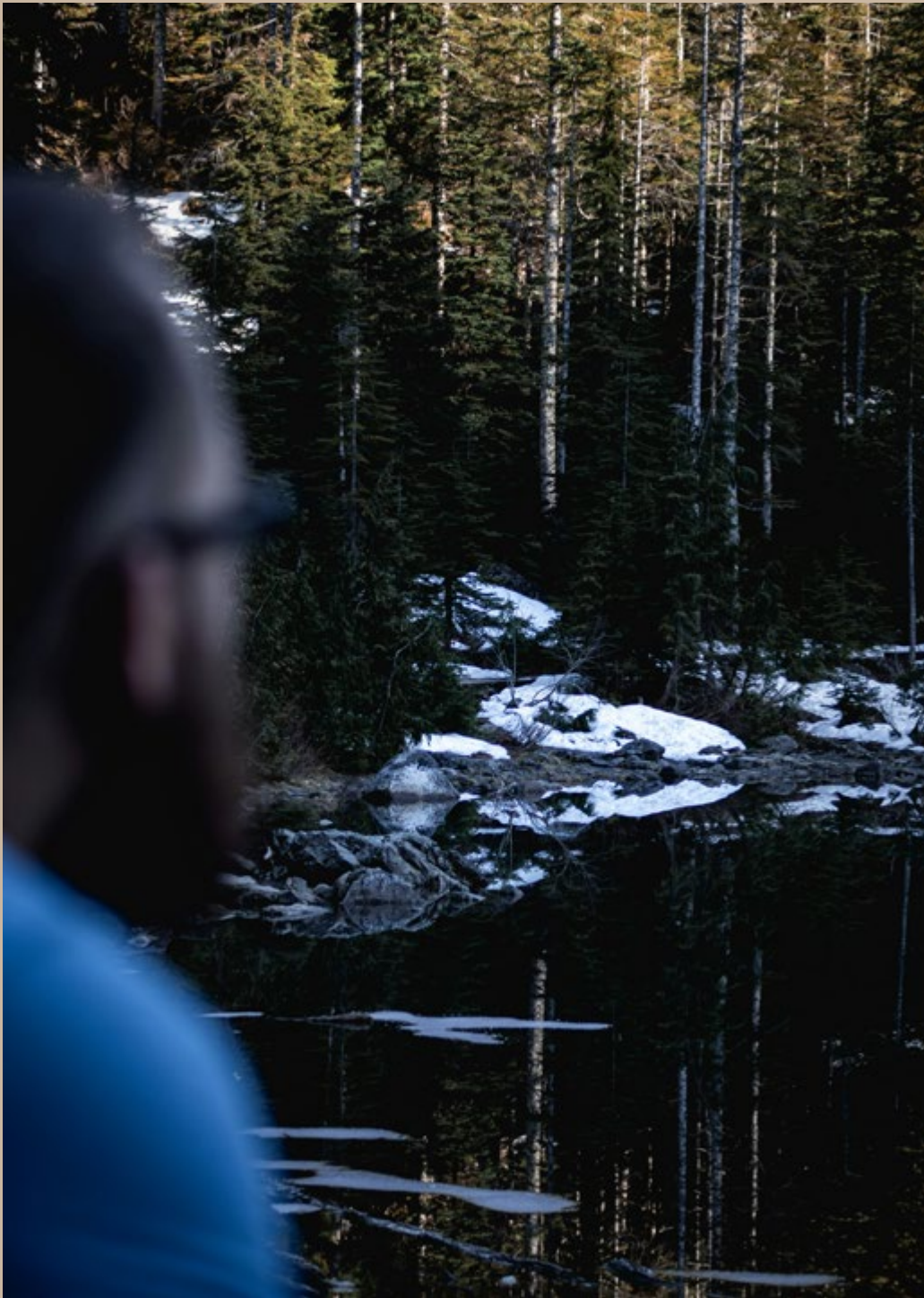
We previously participated in the IAGOS project between 2013 and 2020 with an Airbus A340-300, which collected atmospheric data over the Southern Cone until its retirement as part of our fleet renewal strategy in favour of more efficient aircraft models.

Our Director of Sustainability, Teresa Parejo, notes: “One of the pillars of Iberia’s sustainability strategy is supporting research and innovation projects on climate change to continue reducing our environmental impact. This particular aircraft model operates on routes across the South Atlantic, a key region for the IAGOS project”.

The IAGOS (In-service Aircraft for a Global Observing System) programme is led by an international non-profit association that brings together researchers, universities, and meteorological services from Germany, France, and the United Kingdom. It combines scientific expertise with civil aviation infrastructure to collect data on air quality, which is then used by researchers worldwide. Iberia has been selected to participate in IAGOS as a reference airline on the Europe–Latin America corridor. Other participating airlines include Lufthansa, China Airlines, Cathay Pacific, and Air France.



Chapter six. Other relevant information.





About this report.

[Iberia in two minutes](#)

[A clear roadmap](#)

[A compass to impact](#)

[A journey in good company](#)

[A more environmentally friendly journey](#)

[Other relevant information](#)



This Sustainability Report outlines the evolution, outcomes, and current status of Iberia’s sustainability performance in 2024, along with its management approach and the challenges it faces.

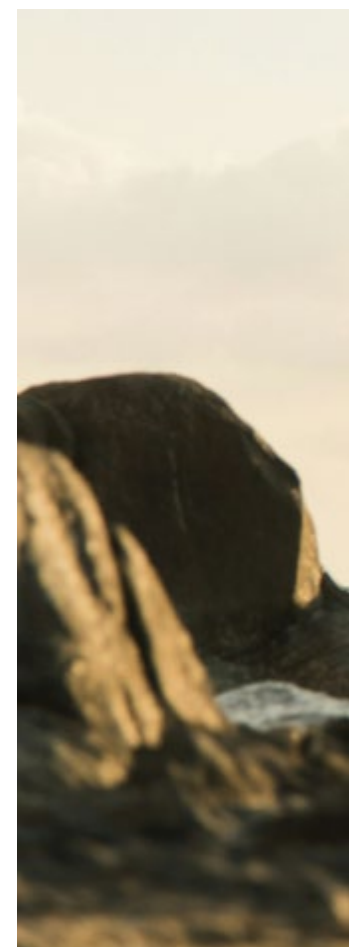
The objective of this document is to provide stakeholders with clear and transparent information on the company’s most relevant impacts, both positive and negative.

Building on the challenges identified in the 2023 Sustainability Report, this edition focuses on the progress made throughout 2024. It also outlines Iberia’s annual progress in implementing the Ten Principles of the United Nations Global Compact in the areas of human rights, labour standards, the environment, and anti-corruption, as well as the company’s contribution to the Sustainable Development Goals.

The information presented in Iberia’s 2024 Sustainability Report is further supported by the content of IAG’s Consolidated Non-Financial Information Statement (CNIS) for the financial year 2024. IAG, the holding company to which Iberia belongs, is headquartered in London, with its legal, corporate, and tax headquarters in Madrid, and is listed on both the London and Madrid stock exchanges. Iberia complies with Spain’s Law 11/2018 of the 28th of December through the non-financial reporting included in IAG’s CNIS, which consolidates data from all companies within the Group.

The Iberia 2024 Sustainability Report adheres to the principles of comparability, materiality, reliability and scope:

- **Comparability:** Iberia publishes its Sustainability Report annually, and it has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, aligned with IAG’s Consolidated Non-Financial Information Statement (CNIS) for the 2024 financial year. Where applicable, data from previous years is included to provide a clearer understanding of the company’s performance over time.
- **Materiality and relevance:** In 2024, IAG conducted a double materiality assessment in collaboration with sustainability consultancy Transcendent to identify the Group’s most significant topics from both an impact and financial materiality perspective, as required by the Corporate Sustainability Reporting Directive (CSRD). The analysis was carried out in line with the European Sustainability Reporting Standards (ESRS) and builds on the materiality assessment previously conducted by IAG in 2021.
- **Reliability:** The information in this report has been aggregated with that of the other IAG Group companies in IAG’s 2024 CNIS, which has undergone limited independent assurance in accordance with the ISAE 3000 standard. The CNIS has been prepared in compliance with current commercial legislation and follows the Global Reporting Initiative’s Sustainability Reporting Standards.
- **Scope:** The workforce and governance data included in this report covers all Iberia activities. Environmental performance data refers to the operations of Iberia and Iberia Express. Note: On the 16th of May 2024, the deed of spin-off was formalised, through which Iberia transferred, via universal succession, its handling services division (Airport and Cargo) to South, along with all related assets and liabilities. The name change for the company was also formalised and registered in the Commercial Registry effective as of the same date.



Compliance with Law 11/2018
of 28 December and application of GRI standards.



The information published in this report is supplemented by the content of IAG's Consolidated Non-Financial Information Statement (CNIS) for the 2024 financial year. IAG, the holding company to which Iberia belongs, has its main offices in London and its legal, corporate, and tax headquarters in Madrid. It is listed on both the London and Madrid stock exchanges. Iberia complies with Law 11/2018 of 28 December through IAG's CNIS, which presents consolidated data for all companies within the Group.

General information	
Business model overview	
Organisation and structure	
Market presence	NEIS 2 GOV-1, NEIS 2 GOV-2, NEIS 2 SBM-1, NEIS 2 SBM-2, NEIS 2 SBM-3, G1-1
Objectives and strategies	
Key factors and trends that may impact future performance	
Reporting framework used	NEIS 2 BP-1
Materiality assessment	NEIS 2 IRO-1, NEIS 2 IRO-2; NEIS 2 SBM-3

Note.

* This table refers to the information published in IAG’s Annual Report and Accounts 2024, in accordance with the requirements of Law 11/2018, of 28 December.

Labour and Social issues	
Management approach	
Applicable policies and outcomes	NEIS 2 IRO-1, NEIS 2 IRO-2; NEIS 2 SBM-3, S1-1; S1-3
Main risks related to these matters	NEIS 2 IRO-1, NEIS 2 IRO-2; NEIS 2 SBM-3, NEIS 2 GOV-5
Employment	
Total number of employees and breakdown by gender, age, contract type, full-time/part-time and job category	S1-6, S1-9, GRI 405-1, GRI 2-7
Total number of employees and breakdown by country/region and collective bargaining agreements	S1-6, GRI 2-7
Total number of employees by type of employment contracts and annual average, broken down by gender, age and job category	S1-6, GRI 405-1, GRI 2-7
Total number and rate of dismissals and voluntary resignations, broken down by gender, age and job category	S1-6, GRI 401-1
Average remuneration broken down by gender, age and job category	S1-16, GRI 405-2
Gender pay gap	S1-16, GRI 405-2
Average remuneration of the Board of Directors and senior executives	GRI 2-19, GRI 2-20, GRI 2-21; S1-16
Policies that allow employees to disconnect from work	S1-1
Number of employees with disabilities	S1-12
Work organisation	
Organisation of working time	S1-1
Absenteeism rate	S1-14, GRI 403-9
Work-life balance measures	S1-4, S1-5
Health and safety	
Occupational health and safety conditions	S1-14
Number of workplace accidents and accident rate, broken down by gender	S1-14
Occupational diseases, broken down by gender	S1-14
Labour relations	
Organisation of social dialogue	S1-2
Percentage of employees covered by collective bargaining agreements, broken down by country	S1-3, S1-8
Outcomes of collective agreements, particularly in relation to health and safety	S1-8
Description of the company's mechanisms and procedures for promoting employee involvement in business management, in terms of information, consultation and participation	S1-8
Training	
Training policies implemented	S1-1
Total number of training hours, broken down by employee category	S1-13
Universal accessibility for people with disabilities	
Universal accessibility for people with disabilities	S1-1, S1-12
Equality	
Measures taken to promote equal treatment and opportunities for women and men	S1-4, S1-5
Equality plans	S1-1, S1-4
Measures taken to foster employment	S1-1, S1-4
Protocols against sexual harassment and gender-based harassment	S1-1, S1-4
Inclusion and universal accessibility of people with disabilities	S1-1, S1-4
Policy against all forms of discrimination and diversity policy	S1-1

Environment	
Management approach	
Description of applicable policies and their outcomes	NEIS 2 IRO-1, NEIS 2 IRO-2, NEIS 2 IRO-3, E1-1, E1-2, E1-3
Key risks related to these matters	NEIS 2 GOV-5, NEIS 2 IRO-1, NEIS, 2 IRO-2, NEIS 2 SBM-3, E1-1
Environmental management	
Information on the current and foreseeable impact of the company’s activities on the environment	NEIS 2 SBM-3, E1-1
Environmental assessment and certification procedures	NEIS 2 GOV-5
Resources dedicated to the prevention of environmental risks	NEIS 2 GOV-5, NEIS 2 IRO-1, NEIS, 2 IRO-2, NEIS 2 IRO-3, E1-3
Application of the precautionary principle	NEIS 2 GOV-5, NEIS 2 IRO-1, NEIS, 2 IRO-2, NEIS 2 IRO-3, E1-3
Provisions and guarantees for environmental risks	NEIS 2 GOV-5, E1-1
Pollution	
Measures to prevent, reduce or remedy emissions (including noise and light pollution)	GRI 3-3, GRI 305-7, non-material light pollution
Circular economy and waste prevention and management	
Measures related to prevention, recycling, reuse and other forms of recovery and disposal of waste	GRI 306-3
Measures to prevent food waste	non-material
Sustainable use of resources	
Water consumption	non-material
Raw material consumption	non-material
Direct and indirect energy consumption	E1-5
Measures to improve energy efficiency	E1-3
Use of renewable energy	E1-5
Climate change	
Relevant aspects related to greenhouse gas (GHG) emissions	E1-5, E1-6
Climate change adaptation measures	E1-1
GHG reduction target	E1-1, E1-4
Biodiversity	
Measures to preserve or restore biodiversity	non-material
Impacts caused by activities or operations in protected area	non-material
Taxonomy	
EU Taxonomy Report	EU taxonomy regulation (EU 2020/852)

Note.

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Respect for human rights	
Management approach	
Description of applicable policies and their outcomes	NEIS 2 SBM-3, S1-1, S2-1, S4-1, G1-1
Key risks related to these matters	NEIS 2 IRO-1, NEIS 2 IRO-2, NEIS 2, SBM-3, NEIS 2 GOV-5
General information	
Implementation of human rights due diligence procedures	S1-1, S2-1, S2-4, S4-4
Measures to prevent and manage potential human rights violations	
Reported cases of human rights violations	S1-17
Promotion and compliance with ILO provisions	S1-2
Elimination of forced or compulsory labour	S1-1, S2-1, G1-1
Effective abolition of child labour	S1-1, S2-1
Anti-corruption and bribery	
Management approach	
Description of applicable policies and their outcome	NEIS 2 IRO-1, NEIS 2 IRO-2, NEIS 2, SBM-3, G1-1, G1-3, G1-4
Key risks related to these matters	NEIS 2 IRO-1, NEIS 2 IRO-2, NEIS 2, SBM-3, NEIS 2 GOV-5
General information	
Measures to prevent corruption and bribery	S1-1, G1-1, G1-3, G1-4
Measures to prevent money laundering	S1-1, G1-1, G1-3, G1-4
Contributions to non-profit organisations	non-material
Other information about the company	
Management approach	
Description of applicable policies and their outcomes	S1-1
Key risks related to these matters	NEIS 2 IRO-1, NEIS 2 IRO-2, NEIS 2, SBM-3, NEIS 2 GOV-5
Commitment to sustainable development	
Impact of the company's activities on employment and local development	S1-1, S2-1, G1-1
Impact of the company's activities on local populations and territories	non-material
Relationships and engagement with representatives of local communities	non-material
Partnership and sponsorship activities	non-material
Sustainable supply chain management	
Inclusion of social, gender equality, and environmental issues in procurement policy	S2
Consideration of the social and environmental responsibility of suppliers and subcontractors in business relations	S2-1, G1-2
Monitoring and auditing systems	NEIS 2 GOV-1 , NEIS 2 GOV-2, G1-1
Customer relationship management	
Measures to protect consumer health and safety	non-material
Complaint and claims systems	NEIS 2 SBM-3, S4-3
Complaints received and outcomes	S4-4
Tax transparency and disclosure	
Profit broken down by country	GRI 3-3, 207-4
Corporate income tax paid	GRI 3-3 201-1, 207-4
Public subsidies received	GRI 201-4, accounting criteria



ESG progress and contribution to the Sustainable Development Goals.



Iberia has been a member of the Spanish Network of the United Nations Global Compact since 2004 and has been committed to the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda since their adoption by the United Nations General Assembly in 2015.

Iberia is certified by AENOR for its Sustainability strategies and projects and their contribution to the Sustainable Development Goals, in accordance with AENOR Specific Regulation E09.02 (dated 2024/03/06).

The table below shows the progress made on key ESG indicators and targets, and how they align with the Sustainable Development Goals and their respective targets.

Objetives	Indicators	Progress		Commitment			SDG target to which it contributes
		2023	2024	2025	2030	2050	
Environment							
Reduce net emissions by 20% by 2030 and reach net-zero by 2050	Net emissions from Iberia flights (tCO2)	5,651,476	5,830,184	–	4,540,216	0	SDG3 target 3.9
Improve operational efficiency by 10 % by 2025 compared to 2019	Flight emissions intensity (grCO2/pkm)	68.5	66.5	70.89	–	–	ODS3 target 3.9 ODS9 target 9.4 ODS13 target 13.2
Operate with 10% sustainable aviation fuel (SAF) by 2030	Sustainable aviation fuel consumption (%)	*	0.58 %	–	10 %	–	ODS8 target 8.4 ODS9 target 9.4 ODS12 target 12.2
Reduce average noise per take-off/landing by 10% by 2025 compared to 2020	Noise impact (industry average reference: 1)	0.96	0.95	0.90	–	–	ODS3 target 3.9 ODS11 target 11.6
Reduce NOx emissions per take-off/landing by 10 % by 2025 compared to 2020	Air quality (NOx tonnes per take-off/landing)	8.24	8.52	8.37	–	–	ODS3 target 3.9 ODS11 target 11.6
Reduce in-flight waste by 20 % by 2025 compared to 2019	In-flight waste (t)	4,110	3,834	4,264	–	–	ODS3 target 3.9 ODS11 target 11.6 ODS12 target 12.4
Reduce in-flight waste per passenger by 20% by 2025 compared to 2019	In-flight waste (kg/pax)	0.19	0.16	0.13	–	–	ODS3 target 3.9 ODS11 target 11.6 ODS12 target 12.4
Recycle 50% of in-flight waste by 2025	In-flight waste recycling (%)	54 %	53 %	50 %	–	–	ODS3 target 3.9 ODS11 target 11.6 ODS12 target 12.4
Reduce office waste by 20% by 2030 compared to 2019	Office waste (t)	24.9	15.9	–	12.7	–	ODS3 target 3.9 ODS11 target 11.6 ODS12 target 12.4
Reduce maintenance waste by 20% by 2030 compared to 2019	Aircraft maintenance waste (t)	1.28	1.33	–	1.83	–	ODS3 target 3.9 ODS11 target 11.6 ODS12 target 12.4
Recycle 60% of maintenance waste by 2030	Aircraft maintenance waste recycling (t)	87.54 %	84.85 %	–	60 %	–	ODS3 target 3.9 ODS11 target 11.6 ODS12 target 12.4

Note.

- * 750 tonnes.
- ** Keep the figure above 90%.
- *** Continue with the measures already in place, both in recruitment and salary reviews, to keep the gender pay gap below 25%.
- **** Project to be developed in 2023–2024.
- ***** Ongoing training.

1

People trained in collaboration with Fundación Integra.

Other relevant information

Objetives	Indicators	Progress		Commitment			SDG target to which it contributes
		2023	2024	2025	2030	2050	
Social							
Maintain a high percentage of permanent contracts	Percentage of permanent contracts	95 %	95 %	**			ODS8 target 8.5
Eliminate the gender pay gap	Average wage gap men/women in senior manager positions	-4.69 %	-4.86 %	***			ODS5 target 5.5
Iberia's workforce enjoys work-life balance measures and social benefits that exceed the provisions of the Workers' Statute.		✓	✓				ODS8 target 8.5
Exceed the 2 % legal quota for employment of people with disabilities	Percentage of employment of people with disabilities (including exceptional measures provided for by the law)	2.67 %	3.37 %	3.0 %	3.5 %	4.0 %	ODS8 target 8.5
Occupational Health and Safety Committees	Ensure 100% worker representation in Health and Safety Committees	100 %	100 %	100 %	100 %	100 %	ODS8 target 8.8
Programme for the promotion of healthy practices	Promote healthy habits "Elige Cuidarte" (Choose to Take Care of Yourself): annual action plan with initiatives	✓	✓				ODS8 target 8.8
Equality Plan: Mandatory training for all staff		✓	✓				ODS5 target 5.5
Implement a Diversity, Equity and Inclusion Plan		✓	✓				ODS8 target 8.5
Raise employees on awareness of diversity, equity and inclusion	Awareness-raising and sensitisation plan with training modules: "Los Cinco Destinos de la Diversidad" (The Five Destinations of Diversity).	✓	✓				ODS8 target 8.5
Customer journey analysis of disabled people	Action plan to improve the experience of customers with disabilities	✓	✓				ODS8 target 8.5
Raising employee awareness of people with disabilities	'Immersion in disability' conference in collaboration with Envera	✓	✓				ODS8 target 8.5
Organisational health survey	Conduct two annual surveys and developing action plans based on the results	✓	✓				ODS8 target 8.5
Iberia employee recognition programme	"Tú Eres Nuestro Valor" (You are Our Asset): monthly recognition of individuals	100 %	100 %	100 %	100 %	100 %	ODS8 target 8.5
Collaborating with social organisations that work for disadvantaged children, integration of people at risk of exclusion, and social development in Iberia destinations.		✓	✓				ODS10 target 10.2 ODS17 target 17.16
Volunteering programme for labour inclusion of people at risk of exclusion¹	Number of people at risk of severe exclusion trained in job search skills	34	43				ODS8 target 8.6
Sustainable supply chain	Percentage of SME suppliers trained in sustainability out of all those we have invited to the training	****	40 %	15 %			ODS12 target 12.8
Cybersecurity and privacy training	Mandatory training for all employees, with periodical repetition.	✓	✓	*****			ODS8 target 8.8

Objetives	Indicators	Progress		Commitment			SDG target to which it contributes
		2023	2024	2025	2030	2050	
Governance							
Publish a Sustainability Report on an annual basis*.		✓	✓				ODS12 target 12.6
Reach 40% female representation on the Board of Directors by June 2026.	Percentage of women on the Board of Directors	33 %	22 %	40 %**			ODS5 target 5.5
Achieve 40% of women in management positions by 2025 and 50% by 2030	Percentage of women in positions of management	36 %	36 %	40 %	50 %		ODS5 target 5.5
Anti-corruption policy and crime prevention	Employees trained in anti-corruption issues	>2,500	>3,000	***			ODS16 target 16.5
Code of Conduct training	Employees trained in the Code of Conduct	>7,500	>6,000	***			ODS16 target 16.5
Third party due diligence processes	Number of due diligence processes opened to tender bidders and commercial intermediaries	>100	>100				ODS16 target 16.6
Whistleblowing channel available to all stakeholders		✓	✓				ODS16 targets 16.5, 16.6
Regulatory Compliance Committee with representation from different areas and participation of the Chairman of the company.		✓	✓				ODS16 targets 16.5, 16.6
Contractual clauses to cover risk of modern slavery and human trafficking (depending on the nature of the contracts)		✓	✓				ODS8 target 8.7

Note.

* Iberia is not required to file an NFS. Law 11/2018 of 28 December applies to the holding company's parent company, IAG. Iberia publishes an annual Sustainability Report on a voluntary basis, in addition to IAG's CNIS

** Target by June 2026.

*** Recurrent training every 3 years.



As part of the company's sustainability strategy, we are developing initiatives that contribute to the fulfilment of the following SDG and their targets.

3 GOOD HEALTH AND WELL-BEING



SDG3, Good health and well-being.

Priority Target: 3.9 – *By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.*

Initiatives:

- Renewal of the fleet through the incorporation of new-generation aircraft that are more efficient and sustainable, and which also reduce noise pollution.
- Implementation of operational measures to improve fuel efficiency using tools that optimise fuel consumption during all phases of a flight.
- Elimination of single-use plastics in onboard services and selective waste collection to maximise recycling.
- Awareness campaigns to promote better waste segregation across all areas of the company.



SDG5, gender equality.

Priority Target: 5.5 – *Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.*

Initiatives:

- Participation of female employees in development and mentoring programmes aimed at increasing the percentage of women in leadership roles.
- External benchmarking study to ensure Iberia’s salaries are competitive and free from gender-based disparities.
- Gender-sensitive review of various HR processes to eliminate unconscious bias.
- Implementation of the “50% CV” rule in external recruitment processes, requiring that at least half of the shortlisted candidates are women.
- Mandatory training for all staff on the company’s Equality Plan.

8 DECENT WORK AND ECONOMIC GROWTH



SDG8, decent work and economic growth.

Priority targets:

8.4 – Improve progressively, through 2030 global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.

Initiatives:

- Use of sustainable aviation fuel (SAF) as an alternative to fossil fuels, recognised as the most effective tool to reduce emissions in the aviation sector.
- Installation of a solar self-consumption plant, which will produce over 4 million kWh once both phases of the project are complete.
- Since 2019, all electricity consumed in Iberia-owned facilities comes from 100% renewable sources.

8.5 – By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.

Initiatives:

- In 2023, a total of 5,423 permanent contracts were signed, including 1,280 conversions from temporary to permanent status.
- Iberia's workforce benefits from work-life balance measures and social benefits that exceed the requirements of the Workers' Statute.
- Iberia complies with and exceeds the minimum quota of the General Disability Act through service contracts with Envera's Special Employment Centres.

- Iberia has implemented a Diversity, Equity and Inclusion Plan that is deployed across the organisation through various initiatives, including an employee awareness programme featuring a series of training modules titled "Los Cinco Destinos de la Diversidad" (The Five Destinations of Diversity).
- The company has developed a dedicated plan to enhance the travel experience for people with disabilities, aiming to make their journeys more accessible and inclusive.
- Iberia organises Disability Immersion Days in collaboration with Envera to raise employee awareness and foster greater understanding of the experiences of people with disabilities.
- Following the results of the organisational health survey, more than 100 targeted initiatives were launched in 2023, tailored to specific departments and teams, focusing on areas such as motivation, workplace climate, innovation, and skills development.
- The "Tú Eres Nuestro Valor" (You are Our Asset) recognition programme celebrates and highlights outstanding employee contributions across all areas of the company, offering both visibility and appreciation for exceptional performance.

8.6 – By 2030, substantially reduce the proportion of youth not in employment, education or training.

Initiatives:

- Participation in the Integra Foundation's volunteer programme, aimed at supporting the workplace inclusion of people at risk of social exclusion.



8.7. Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including the recruitment and use of child soldiers, and by 2025, end child labour in all its forms.

Initiatives:

- Inclusion of contractual clauses (according to the nature of the contracts) to address the risk of modern slavery and human trafficking in the supply chain.

8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

Initiatives:

- Iberia is committed to respecting human rights across its operations and supply chain, as outlined in the IAG Group Statement on Slavery and Human Trafficking, available in the Sustainability section of the IAG website¹.
- The Occupational Risk Prevention System is certified by the auditing firm Audelco.
- Iberia has 18 occupational health and safety committees, one inter-centre committee, and 80 health and safety delegates. All employees are represented.
- The “Elige Cuidarte” (Choose to Take Care of Yourself) programme promotes healthy practices, focusing on disease prevention and reducing unhealthy habits.
- All employees undergo mandatory and recurring training on cybersecurity and privacy.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



SDG9, industry,innovation and infrastructure.

Priority Target: 9.4. *By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action according with their respective capabilities.*

Initiatives:

- Fleet renewal, incorporating new-generation aircraft that are more efficient, more sustainable and generate less noise.
- Implementation of operational measures to enhance fuel efficiency, using tools that optimise fuel consumption across all stages of flight.
- Support for entrepreneurship and innovation through participation in South Summit, one of the world's leading innovation platforms.
- Development of digitalisation and artificial intelligence projects to improve customer service, including conversational assistants like the iBot and WhatsApp AI tools.



SDG10, reduced inequalities.

Priority Target: *By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, gender, disability, race, ethnicity, origin, religion, or economic or other status.*

Initiatives:

- Iberia partners with organisations that carry out social impact projects focused on disadvantaged children, people at risk of exclusion, and other community initiatives in the destinations it serves.
- Iberia employees share the company's commitment to sustainability and actively take part in initiatives such as Iberia Volunteers; through this programme, over 400 employees have supported non-profit organisations.



SDG11, sustainable cities and communities.

Priority targets:

11.2: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

Initiatives:

- Iberia's Diversity Plan includes various initiatives focused on people with disabilities. Specifically, an action plan is being developed to improve the travel experience for customers with disabilities.

11.6: By 2030, reduce the adverse per capita environmental impact of cities, Including by paying special attention to air quality and municipal and other waste management.

Initiatives:

- Fleet renewal with new-generation aircraft that are more efficient, sustainable and produce less noise.
- Operational measures to improve fuel efficiency, using tools that optimise consumption in all stages of flight.
- Elimination of single-use plastics in onboard service and implementation of selective waste collection to maximise recycling.
- Company-wide awareness campaigns to improve waste segregation.



SDG12, responsible production and consumption.

Priority targets:

12.2: By 2030, achieve the sustainable management and efficient use of natural resources.

Initiatives:

- Use of Sustainable Aviation fuel (SAF) as an alternative to fossil fuels, recognised as one of the most effective tools to reduce emissions in the aviation sector.
- Installation of a solar self-consumption plant which, once both phases are complete, will generate over 4 million kWh.
- Since 2019, all electricity consumed in Iberia-owned facilities comes from 100% renewable sources.

12.4: By 2030, achieve the environmentally sound management of chemicals and all waste throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to the air, water and soil in order to minimise their adverse impacts on human health and the environment.

12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Initiatives:

- Elimination of single-use plastics in onboard service and implementation of selective waste collection to maximise recycling.
- Awareness campaigns to improve waste segregation throughout all areas of the company.

12.6: Encourage companies, especially large and transnational corporations, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

Initiatives:

- Iberia is a pioneer in sustainability reporting, having published its first Environmental Report in 1994. Since then, the format and content have evolved in response to society's growing demand for transparency and scientific disclosure.
- Although Iberia is not legally required to publish a Non-Financial Information Statement (CNIS) under Spain's Law 11/2018 (which applies to its parent company, IAG), the company voluntarily publishes an annual Sustainability Report, complementing the CNIS issued by IAG.

12.8: By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.

Initiatives:

- Iberia actively participates in sustainability-related forums, events and interviews to share its projects and initiatives, with the goal of raising awareness and informing the wider public.
- Participation in the UN Global Compact's Sustainable Supplier Training initiative, which aims to help SMEs adopt more sustainable practices across supply chains.



SDG13, climate action.

Priority Target:

13.2: Integrate climate change measures into national policies, strategies, and planning.

Initiatives:

- Renewal of the fleet with next-generation aircraft that are more efficient, sustainable, and significantly reduce noise pollution.
- Implementation of operational measures to enhance fuel efficiency, including tools that optimise fuel consumption across all stages of flight.



SDG16, peace, justice and strong institutions.

Priority targets:

16.5: Substantially reduce corruption and bribery in all their forms.

Initiatives:

- Ongoing training for employees on anti-corruption practices and the Code of Conduct.
- Whistleblowing channel available to all stakeholders.
- Regulatory Compliance Committee with cross-departmental representation and participation of the company's Chairman.

16.6: Develop effective, accountable, and transparent institutions at all levels.

Initiatives:

- Implementation of due diligence processes for third parties contractually engaged with the company.
- Whistleblowing channel available to all stakeholders.
- Regulatory Compliance Committee with cross-departmental representation and participation of the company's Chairman.



SDG17, partnerships to achieve the goals.

Priority Target:

17.16: Enhance the Global Partnership with Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, particularly in developing countries.

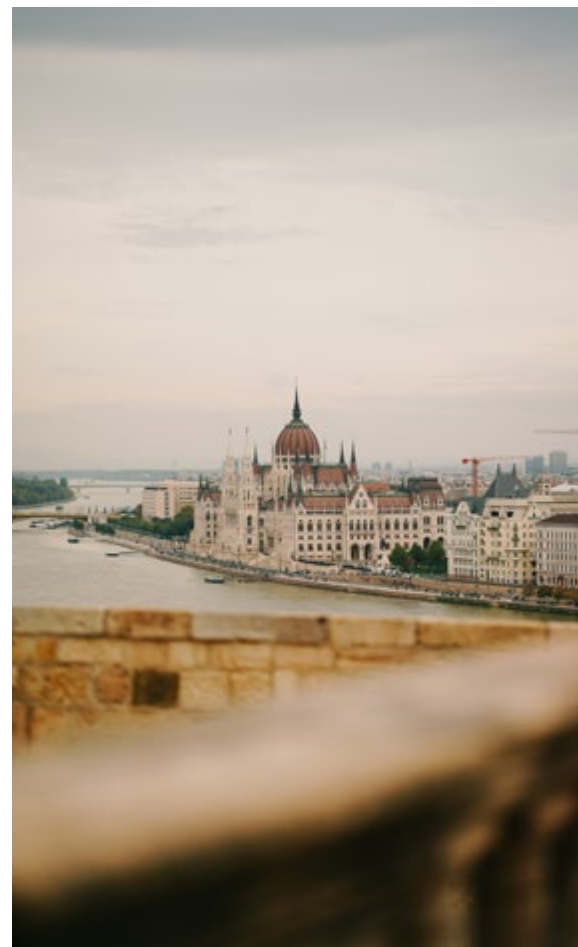
Initiatives:

- Iberia has established collaboration agreements with the public sector, universities, private companies and non-profit organisations. All these agreements, regardless of their specific purpose, are framed within the company's Sustainability Strategy and governed by internal policies and regulations such as the Code of Conduct and the Anti-Corruption Policy.





Key indicators.



Economic performance.

Economic results for the year 2024.

The operating profit attributable to the Iberia segment before exceptional items, as reported in the IAG Group’s consolidated financial statements, amounted to €1,027 million in 2024, an increase of €87 million compared to the previous year, with an operating margin before exceptional items of 13.6%.

Direct economic value generated (€M)	2024	2023
Recurring operating income	6,705	6,413
Operating income (including non-recurring)	6,705	6,413
Financial assistance received from governments	(*)	(*)

Direct economic value generated (€M)	Spain	Rest of Europe	America	Rest
Recurring operating income	3,225	1,131	2,231	119
Operating income (including non-recurring)	3,225	1,131	2,231	119

Economic value distributed (€M)	2024	2023
Operational expenditure	6,372	6,025
Operational expenditure (including non-recurring items)	6,372	6,025
Total expenditure on salaries and employee benefits	979	1,171
Total company pension plan endowment	25	48
Total amount paid to Social Security	195	253
Airport and air navigation fees	405	358
Assessed taxes	968	1,082
Community investments	0	0

Note.

* €2.1M received from official subsidies for training. €0.6M received as compensation for the flights between Madrid and Mahón. €4.8 M from R&D&I tax deduction.

Economic value distributed (€M)	Spain	Rest of Europe	America	Rest
Expenditure on salaries and employee benefits	926	12	40	1
Operating expenses (including non-recurring)	5,161	292	889	30

Evolution of the main activity indicators	2024	% 2024 vs 2023
Revenue Passengers Kilometres (RPK) Passenger demand (millions)	71,756	15.00 %
Available Seats Kilometres (ASK) Passenger capacity / supply (millions)	81,726	14.00 %
Revenue Tonne Kilometres (RTK) Cargo and passenger demand (millions)	1,254	16.00 %



Research, development and innovation activities.

Iberia continues to invest in R&D&I as one of its core strategic pillars. Notable initiatives include projects with a strong technological focus aimed at enhancing operational efficiency, as well as those designed to improve the customer travel experience through innovative solutions involving digitisation, virtual reality, and artificial intelligence.

From a tax incentive perspective, Iberia applied a corporate income tax deduction of €4.8 million in 2024 for R&D&I activities, to be accounted for in the 2023 tax year.

In terms of public funding, the following projects are currently under evaluation by the Centre for the Development of Industrial Technology (CDTI), part of the Spanish Ministry of Science and Innovation:

- **TIG WELDING.** A new welding centre for blades and vanes on the high-pressure compressor (HPC) of V2500 aircraft engines. Iberia will oversee the implementation, certification, and testing of this new TIG welding facility, which will enable in-house repair of HPC blades for the latest generation of V2500 engines. This represents a completely new added-value maintenance service that Iberia can offer to airlines operating in Spain, across Europe, and internationally.
- **BALANCING MACHINES.** New state-of-the-art balancing machines for GTF PW1100 engine overhauls. The main objective of this project is to equip the engine workshop with two advanced balancing systems—one vertical and one horizontal—for use on various sections of aircraft engines. These systems will support not only conventional engine models, but also the latest-generation engines such as the GTF and LEAP.
- **INDEP.** Development of a new Internal Developer Platform (IDP) for applications. The goal is to increase the efficiency and productivity of development teams while reducing their cognitive load.

In addition, during this period, the Centre for the Development of Industrial Technology (CDTI) has certified the completion of the following projects:

- **TOLERANCES.** Design and development of adjustment, balancing, and machining solutions for the maintenance of GTF engines. Through the creation of these new solutions, Iberia aims to perform the full range of maintenance tasks required for the innovative GTF engines, positioning itself at the forefront of the sector in servicing this engine type.
- **IRIS-TAM.** Development of a new turn-around control system, “TAM”, designed to digitally manage all processes and activities that take place from the moment an aircraft lands at the airport until it takes off again (turn-around).

On the other hand, Iberia remains firmly committed to environmental stewardship and continues to implement initiatives aimed at reducing its environmental impact. In this context, the company has submitted several energy efficiency investments for verification and certification under the Energy Saving Certificates (CAE) scheme, following the procedure established by the Ministry for Ecological Transition and Demographic Challenge.

The CAE is a mechanism that enables the monetisation of energy savings by recovering part of the cost of efficiency-related investments—initiatives that in 2024 led to savings of over 200 GWh.

Iberia has also invested in upgrading hangar lighting to LED systems, replacing equipment in its maintenance, repair, and overhaul (MRO) operations, and incorporating a new fleet of more modern, fuel-efficient aircraft.

In parallel, the company has continued expanding its use of electric ground vehicles throughout 2024, reinforcing its commitment to energy efficiency and emissions reduction.



Governance Dimension.

Iberia and the IAG Group are committed to establishing a transparent and effective corporate governance system that creates long-term value and safeguards the interests of all stakeholders.

Within the corporate governance structure, the Boards of Directors of IAG and Iberia are responsible for setting the objectives and strategies of the Group and the company, respectively. These boards approve overarching policy lines, define programmes and priorities to achieve corporate goals, and promote and oversee management performance and alignment with the agreed objectives.

Among their key responsibilities are the approval of the business plan and budget, decisions regarding organisational structure and financial policy, as well as oversight of risk management and sustainability strategies. Both boards also regularly monitor internal control and information systems, either directly or through reports issued by their respective Audit Committees.

The IAG Board of Directors consists of eleven members, including six non-executive directors and five women. The Iberia Board of Directors comprises nine members, four of whom are non-executive directors, and two of whom are women.

	Men	Women	Total
IAG Board of Directors	6	5	11
Iberia Board of Directors	7	2	9

	Executive Directors	Non-executive directors	Total
IAG Board of Directors	5	6	11
Iberia Board of Directors	5	4	9

The IAG Management Committee, led by the Group Chief Executive Officer, is responsible for the day-to-day management of the company, overseeing the Group’s performance, and implementing the strategy approved by the Board of Directors. The Committee is composed of eleven members, five of whom are women. Similarly, the Iberia Management Committee comprises of nine members, including two women.

	Men	Women	Total
IAG Management Committee	8	3	11
Iberia Management Committee	6	2	8



Social dimension.

At Iberia we work for and with people, creating quality employment. We are proud to have highly trained professionals and are committed to ensuring their safety and well-being.

Iberia workforce in 2024¹.

Employee breakdown by group

National ground staff	6,971
Pilots	1,464
Cabin Crew	3,691
International ground staff	205
Total general	12,331

Employee breakdown by operational area	Ground	Flight	Total general
Corporate	385		385
Air Transport	2,237	5,155	7,392
Airport and Cargo ²	2,380		2,380
Maintenance	2,174		2,174
Grand total	7,176	5,155	12,331

Evolution of the workforce	2021	2022	2023	2024
	15,543	16,988	18,434	12,331

1
The following tables show the average headcount data for the year 2024.

2
On the 16th of May 2024, the deed of segregation was formalised, whereby Iberia transferred en masse, by universal succession, the handling services business unit (Airport and Cargo) to South, along with all related assets, liabilities and employees. The transfer was made with retroactive accounting effect from the 1st of January 2024. On the same date, the company's name change was also formalised and registered with the Mercantile Register, effective the 16th May of 2024.

3
During 2024, 838 permanent contracts were signed, including 191 conversions from temporary to permanent contracts.

4
Figures exclude pilots and cabin crew members in management positions. International local employees in management positions are included.



Staff by type of contract³

Permanent (part-time)	665
Discontinuous permanent	316
Permanent (full-time)	10,752
Temporary	598
Grand total	12,331

Diversity of the workforce by gender and employment group	Women		Men		Total	
Senior Management	16	37 %	27	63 %	43	0 %
Senior Management and Technical staff	510	49 %	523	51 %	1,033	8 %
General Administrative staff	1,246	70 %	529	30 %	1,775	14 %
Aircraft Maintenance Technicians	76	3 %	2,493	97 %	2,569	21 %
Ancillary Services	133	9 %	1,278	91 %	1,411	11 %
Other	152	44 %	193	56 %	345	3 %
Total ground staff	2,133	30 %	5,043	70 %	7,176	58 %
Pilots	96	7 %	1,369	93 %	1,464	12 %
Cabin Crew	2,460	67 %	1,230	33 %	3,691	30 %
Total flight	2,556	50 %	2,599	50 %	5,155	42 %
Grand total	4,689	38 %	7,642	62 %	12,331	100 %

Diversity of the workforce by age

Less than 20	3
20-29	1,578
30-39	2,406
40-49	2,945
50-54	2,233
55-59	1,955
More than 60	1,211
Grand total	12,331

Diversity in management positions by gender ⁴	Women	Men	Total
President	0	1	1
Executive Committee	2	5	7
Director	16	24	40
Senior Manager	16	30	46
Manager M1	59	63	122
Manager M2	38	73	111
Specialists	128	148	276
Grand total	259	344	603

Agreements and wages.

The salaries of staff covered by the collective bargaining agreements are determined based on the professional category, seniority and role, in accordance with their respective agreements (ground staff, pilots and cabin crew).

For staff not covered by the collective agreements (managers and structural positions), salary negotiations are conducted individually between the company and the employee, based on criteria such as specialisation, experience, and the responsibilities of the role.

In all cases, Iberia applies a strict non-discrimination policy: no differentiation is made on the basis of gender, race, or any other discriminatory factor. The company also guarantees compliance with the legally established Minimum Interprofessional Wage.

Average gender pay gap (women vs. men)¹

Senior Manager	-4.86 %
Manager M1	-4.30 %
Manager M2	-4.57 %
Specialists	1.95 %

Trade union membership²

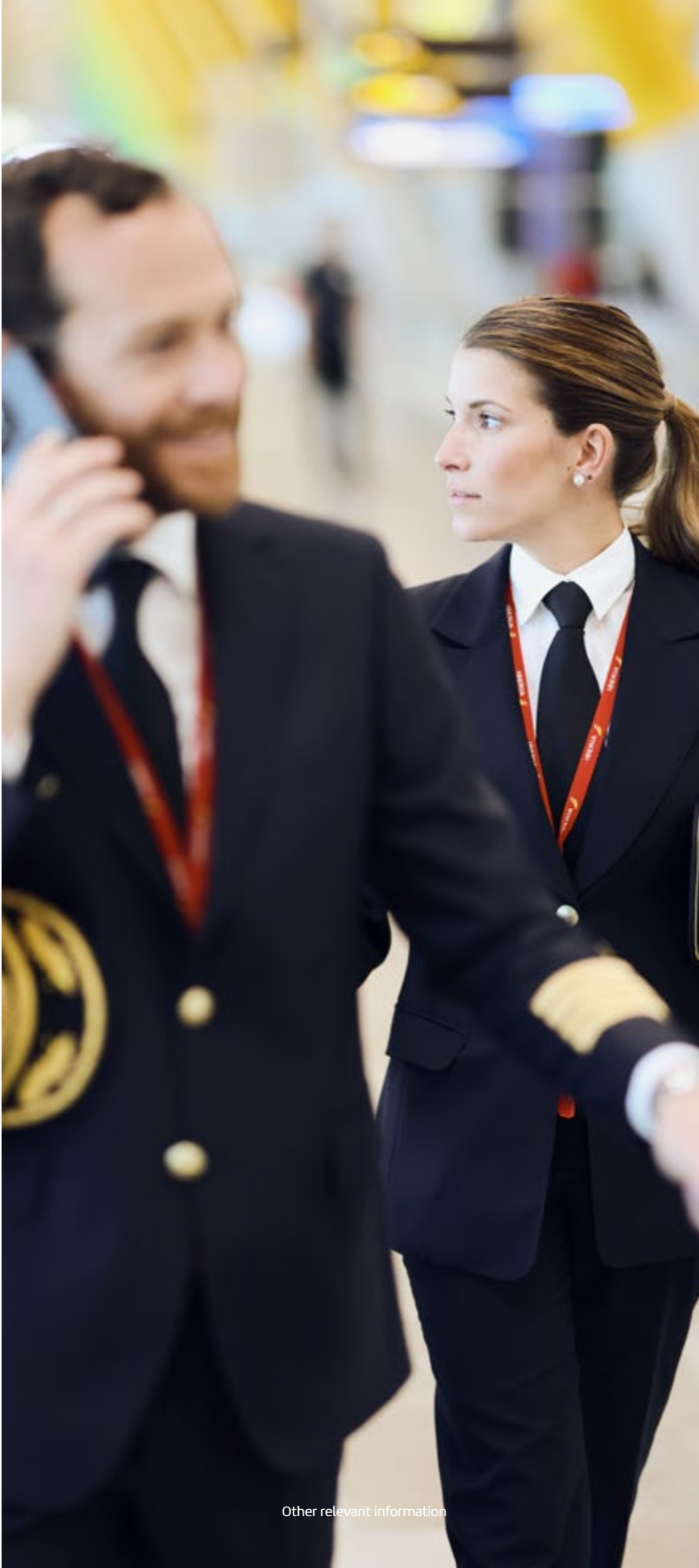
Pilots	100 %
Cabin Crew	31.20 %
Ground Staff	48.59 %

Work-life balance.

Number of employees benefiting from reduced working hours for legal guardianship in 2024	Women	Men	Total
Flight Staff	756	378	1,134
Pilots	20	177	197
Cabin Crew	736	201	937
Ground Staff	61	65	126
Grand total	817	443	1,260

1
Excludes pilots and cabin crew members in collective agreements who hold management roles. Includes international local employees in management roles.

2
Only includes union membership known to the company through payroll deduction of union dues.





Health and safety at work.

Iberia’s Prevention Plan serves as the main tool to ensure the health and safety of its workforce. It facilitates the integration of preventive measures across the company and sets out the procedures required both for operational activities and for embedding health and safety practices into the various areas of management.

Number of occupational health and safety committees	18 committees + 1 Intercentre committee (up to 16 May 2024) 3 committees + 1 Intercentre Committee (up to 16 May 2024)		
Number of occupational health and safety delegates	80 (up to 16 May 2024) 43+6 Intercentre committee (from 16 May 2024)		
% of employees represented on committees	100 %		
Absenteeism rate due to work accidents	0.4 % Iberia Total	0.45 % Ground	0.3 % Flight
Accident rate 2024 vs. 2023	-55 %	-53 %	-32 %
Financial penalties for breaches of health and safety regulations	2		

Workplace accidents	Men	Women
Number of sick leave days due to regular or in itinere work accidents	17,674	9,825
Number of very serious accidents (*)	1	0
Number of serious accidents (*)	0	1
Number of minor accidents (*)	535	635

Occupational Risk Prevention Training	Ground	Flight
Number of courses delivered	17,731	2,970
Number of participants	13,272	2,514

Note.
* Accidents resulting in sick leave.

Training.

In 2024, training efforts focused on modernisation, transformation, and the introduction of new content in the following key areas:

- Technology and automation, including the implementation of a new training management system and the launch of a digital signature application for much of the company’s classroom training.
- Transformation of training methodologies and practices to align with more participatory and experiential learning approaches.
- Development of training content and delivery of in-house training programmes.
- Strengthening corporate knowledge, skills, and the availability of online content.

Average training hours by group and work are

Pilots	71
Cabin Crew	40
Corporate (including airline maintenance)	58
Maintenance (MRO)	47
In total, 581,105 hours of training to Iberia employees	
25% provided online	





Environmental dimension.

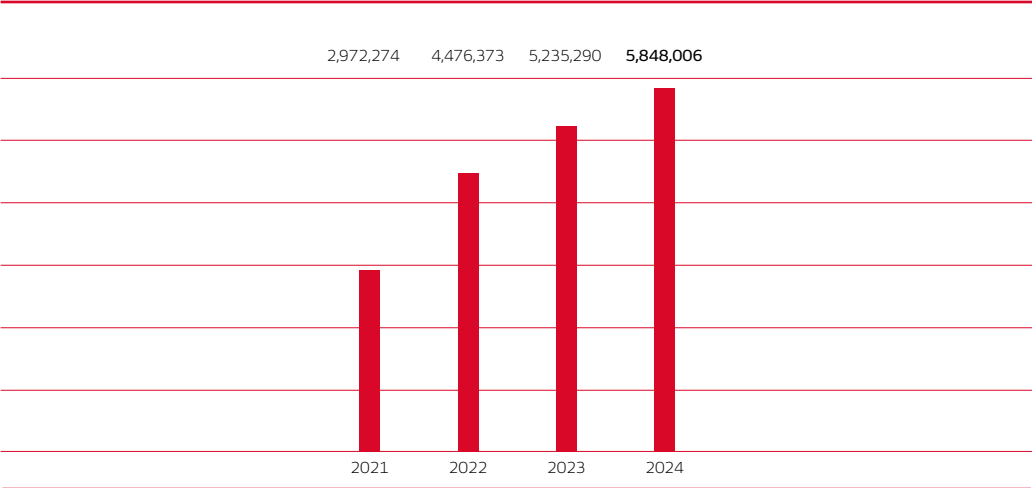
Total Iberia Emissions.

— Scope 1.

Direct emissions generated by all Iberia operations (including Iberia and Iberia Express) in 2024. Scope 1 emissions refer to those produced directly from fuel combustion, including aircraft fuel, diesel, petrol, and natural gas.

The main sources of these emissions are aircraft engines, boilers, generators and land vehicle engines.

Scope 1 (Tn CO2)



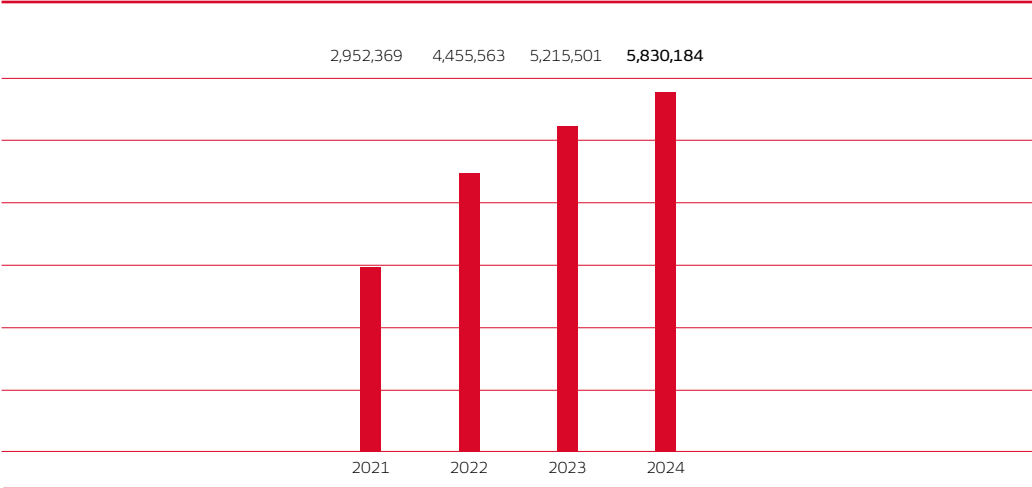
Iberia Flight Emissions.

— Scope 1.

In 2024, 99.5% of Iberia’s direct emissions originated from flight operations using jet fuel (Jet A-1) as the combustion source. Due to current economic and technical constraints, the use of alternative sustainable fuels remains unfeasible.

Additionally, under the franchise-type commercial agreement with Air Nostrum, 412,305 tonnes of CO2 were emitted. These emissions are accounted for under Iberia’s Scope 3 flight emissions.

Scope 1 flight (Tn CO2)

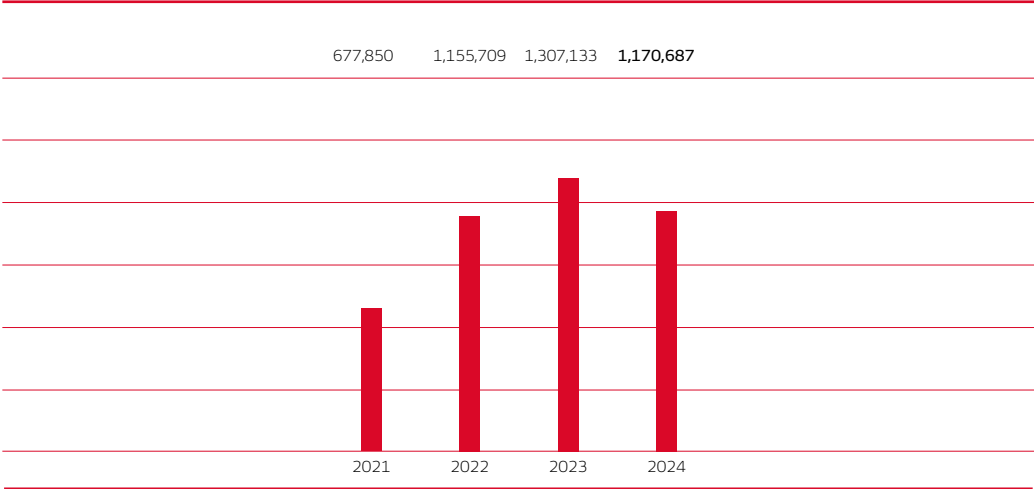


European Emissions Trading Scheme.

The European Emissions Trading Scheme (EU-ETS), in effect for the aviation sector since 2012 (Directive 2008/101/EC), sets an emissions cap based on the 2004–2006 reference period. Under this scheme, the European Union imposes a limit on emissions for the sector. Up until 2023, the EU-ETS applies to all domestic flights and flights between airports within the European Economic Area (EEA), excluding routes to and from the EU’s outermost regions (Regulation (EU) 2017/2392).

Each year, air operators must submit an emissions report to the relevant authorities— for Iberia, this includes the Ministry of Transport and the Spanish Climate Change Office —verifying the emissions generated on flights covered by the EU-ETS. They must then officially surrender a corresponding number of emission allowances equal to the total verified emissions.

EU-ETS (Tn CO2)



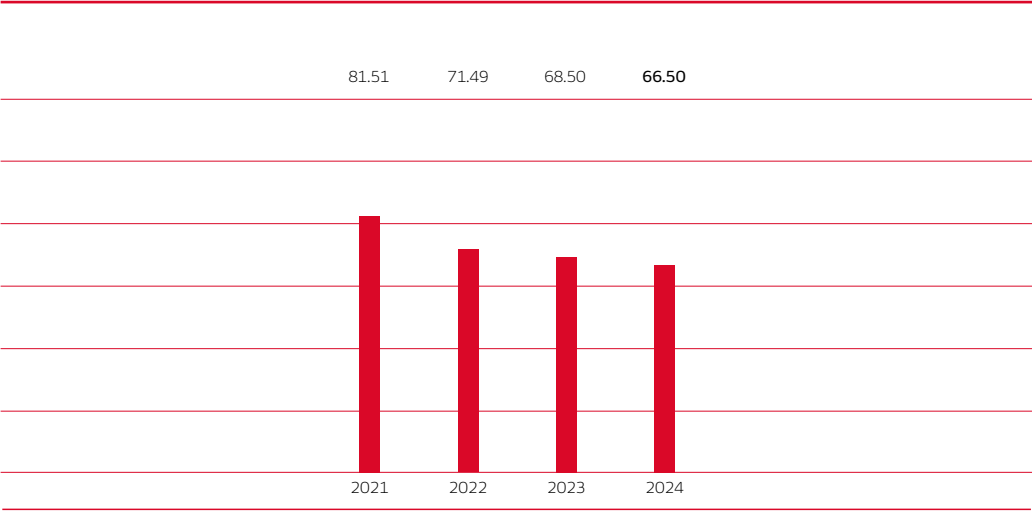
Other flight operations indicators.

Flight emissions intensity (grCO2/pkm).

Flight emissions intensity, measured in grams of CO2 per passenger-kilometre (gCO2/pkm), is a standard industry metric used to assess the efficiency of air travel per passenger and kilometre flown. This figure is calculated by dividing total fuel consumption by total passenger-kilometres, with the assumption that 0.1 tonne-kilometres of cargo is equivalent to one passenger-kilometre.

Changes in efficiency per passenger have been influenced by significantly lower load factors in 2020 due to the impact of COVID-19, followed by a gradual recovery in demand over subsequent years. Efficiency levels returned to pre-pandemic trends in 2022, with performance improving by 9% compared to 2019. Iberia has set a target to improve flight efficiency by 10% by 2025, using 2019 as the baseline year, when emissions intensity was 78.8 g CO2/pkm.

Flight emissions intensity (grCO2/pkm)



Noise impact and air quality.

ICAO Chapter standards compare aircraft noise levels against standardised thresholds, which are based on a combination of lateral, approach, and take-off noise measurements. The higher the Chapter number, the more stringent the requirements. Chapter 14 applies to aircraft certified on or after the 1st of January 2017.

Compliance with CAEP NOx standards	2021	2022	2023	2024
CAEP 4	100 %	100 %	100 %	100 %
CAEP 6	87 %	88 %	90 %	90 %
CAEP 8	43 %	50 %	58 %	55 %

CAEP standards, established by ICAO, regulate NOx emissions from aircraft engines. Newer standards (e.g. CAEP 6 and CAEP 8) apply to engines manufactured from the 1st of January 2008 and 1st of January 2014, respectively, and are more stringent than earlier versions.

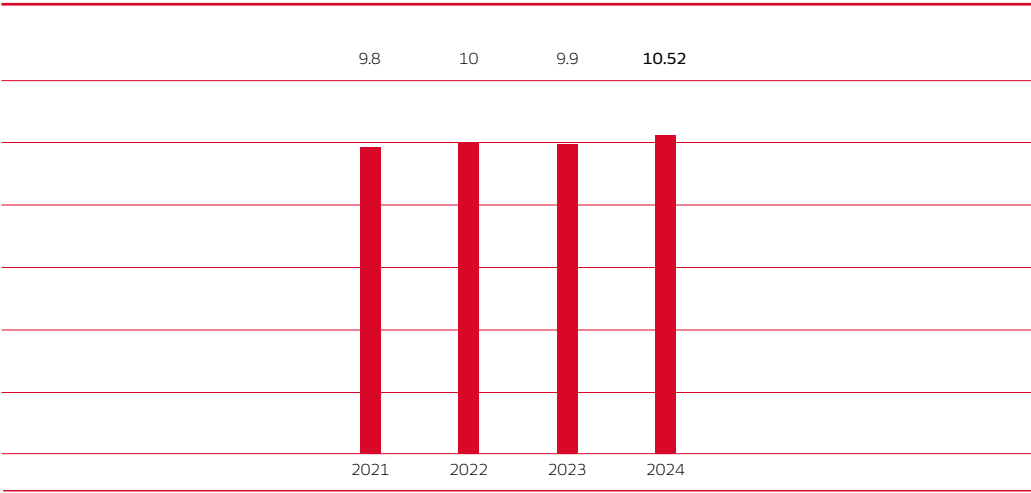
Compliance with ICAO noise standards	2021	2022	2023	2024
Chapter 3	100 %	100 %	100 %	100 %
Chapter 4	100 %	100 %	100 %	100 %
Chapter 14	46 %	49 %	55 %	55 %

The slight decrease in the percentage of compliance for both NOx and noise-related standards is due to the retirement of older aircraft that, while compliant, were less fuel-efficient. This impacts the overall percentage of the fleet meeting the latest standards.

Average fleet age.

As of the 31st of December 2022, Iberia’s fleet saw the addition of 16 aircraft and the retirement of 2. Most of the new additions were latest-generation models, such as the A350-900 and A320neo.

Average fleet age



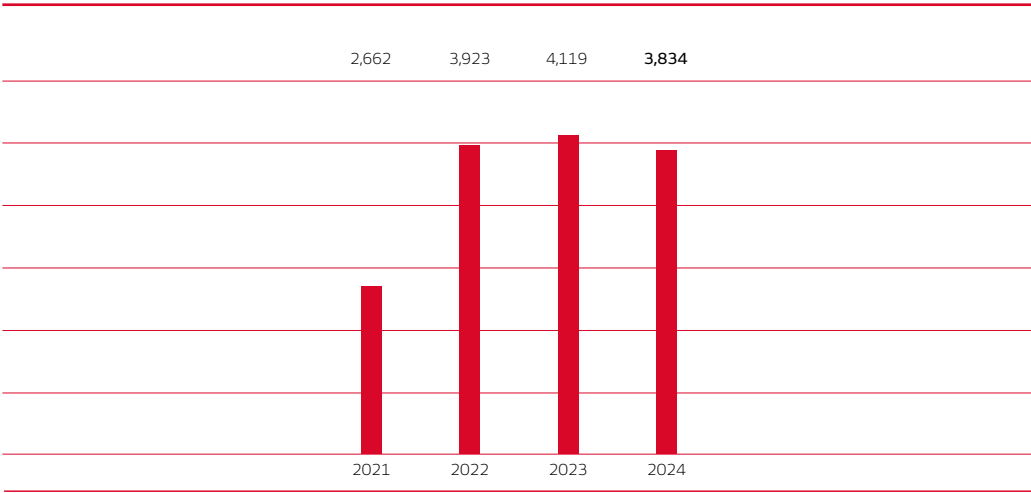
— Scope 3.

Scope 3 emissions refer to indirect emissions generated as a result of Iberia’s activities, but which occur from sources not owned or controlled by the company. In this case, they relate to the waste generated at Iberia’s hub in Madrid.

In-flight waste.

In 2024, a total of 3,834 tonnes of cabin waste were generated. Through the selective collection process, all 94 tonnes of glass waste were properly managed and fully recycled. Of the remaining 3,740 tonnes, 47% were recycled. Due to regulatory restrictions, it is currently not possible to recycle international waste.

In-flight waste (Tn)

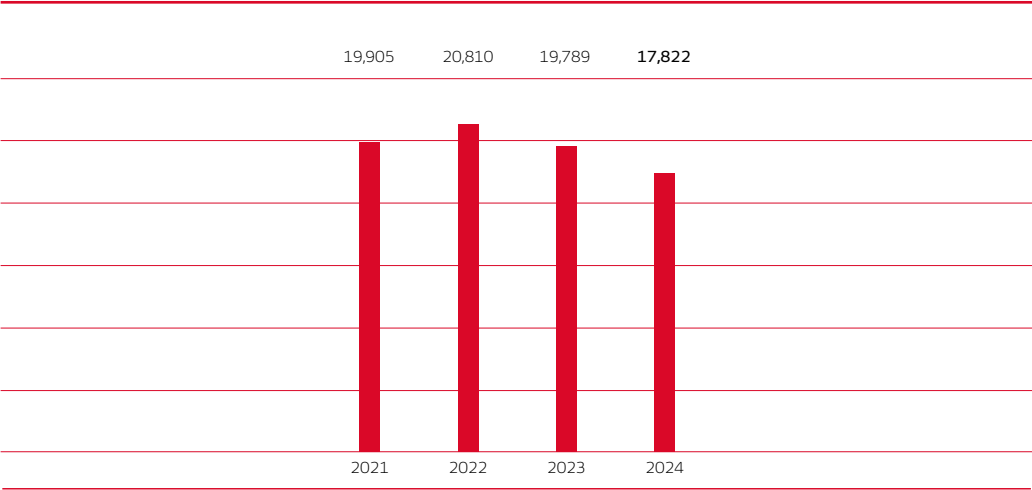


Emissions from ground operations.

— Scope 1.

These emissions result from the use of diesel and natural gas in boilers and generators, as well as from diesel- and petrol-powered vehicles. While CO2 makes up the majority of these emissions, other greenhouse gases, such as methane (CH4) and nitrogen oxides (NOx), are also included in the CO2 equivalent indicator, as they impact air quality in the cities and airports where these operations take place.

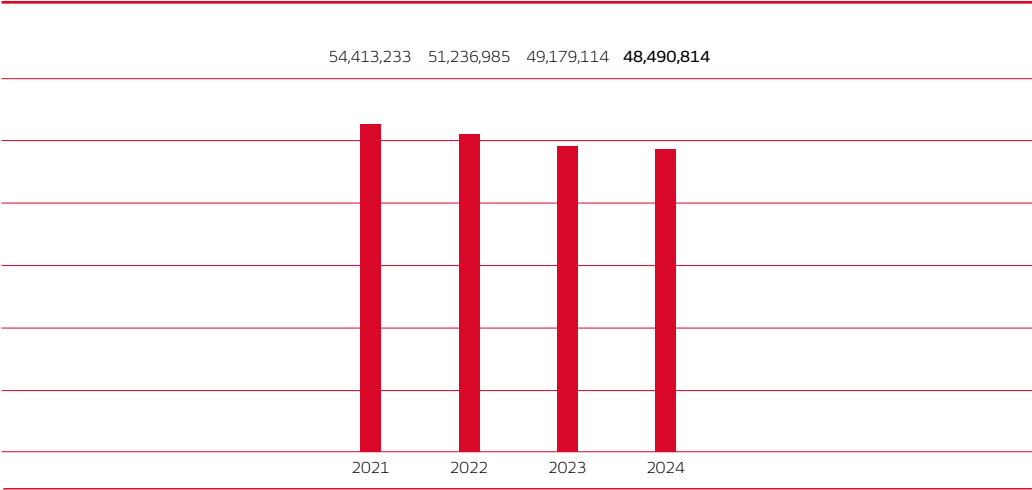
Scope 1 ground (Tn CO2 eq)



— Scope 2.

Scope 2 emissions refer to to indirect emissions resulting from electricity consumption at Iberia’s facilities. All electricity used at these facilities comes from 100% renewable sources.

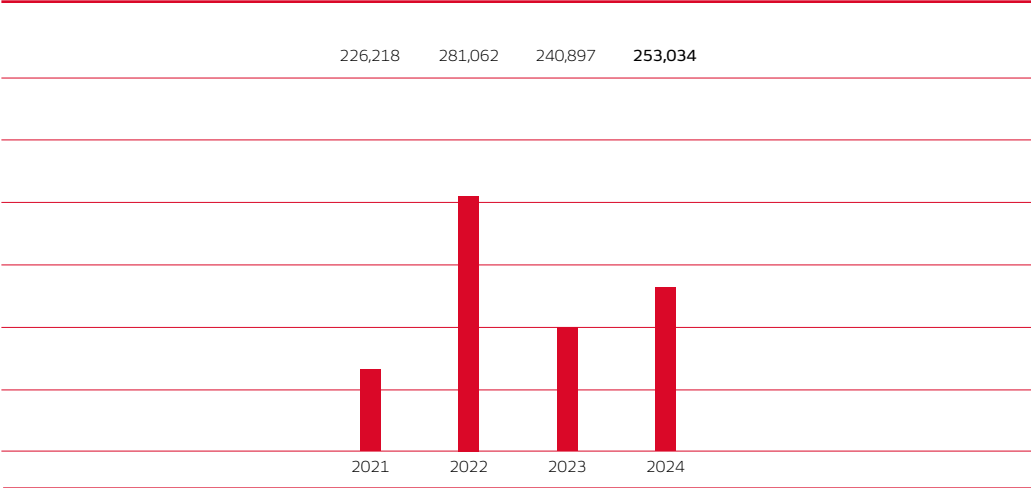
Electricity consumption (KWh)



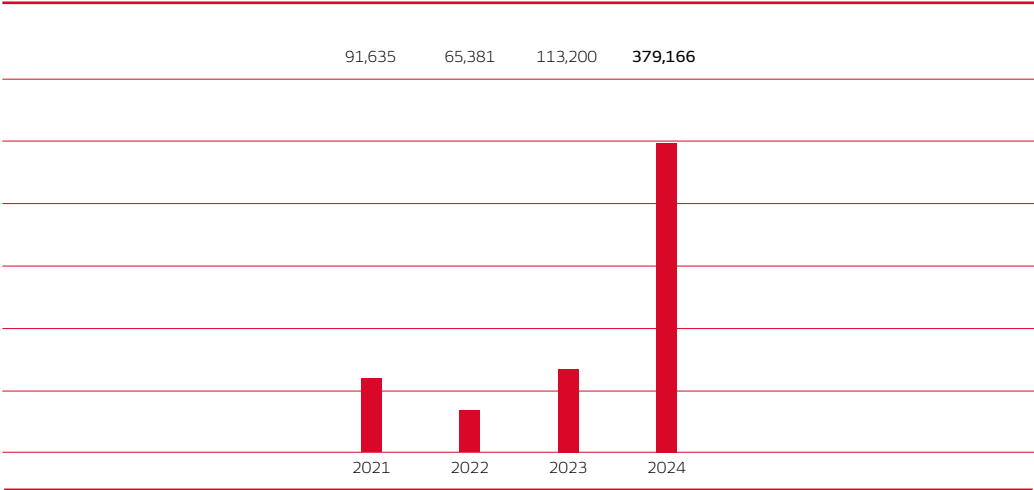
— Scope 3.

Scope 3 emissions correspond to indirect emissions generated by Iberia’s activities but that are not under its control, as they are produced throughout its value chain.

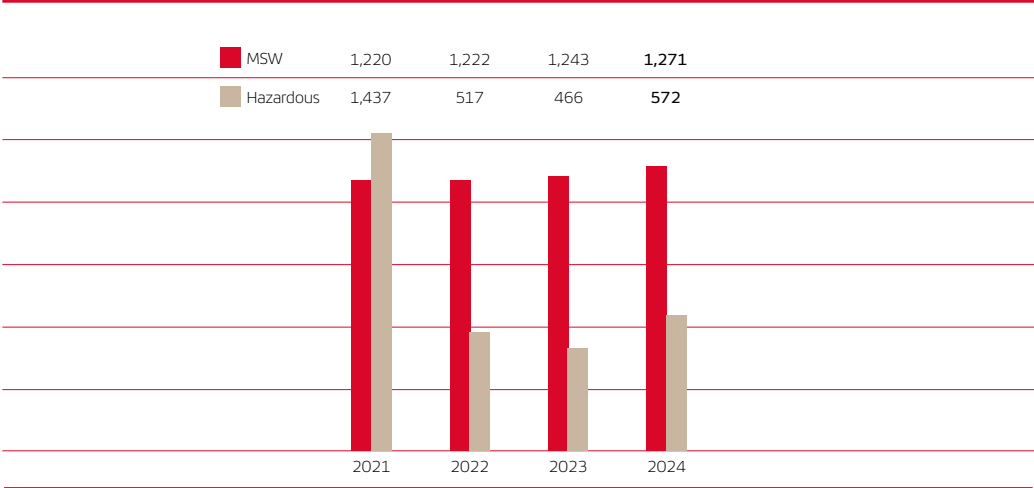
Water consumption (m3)



Wastewater (m3)



Municipal solid waste (MSW) and hazardous waste (Tn)



References TCFD.

Climate change risk management.

The following is a high-level summary of the activities implemented by the company in alignment with the TCFD recommendations, based on the climate risk analysis conducted by Iberia in 2022. A new risk assessment will be carried out by IAG in 2025 to update the findings of the 2022 report.

TCFD	Activities currently aligned	Planned activities
Governance	Sustainability Directorate consolidates and supervises the environmental performance of all business lines. Sustainability policy approved by the CEO. Materiality analysis updated in 2022.	Implementation of an environmental management system, with two committees monitoring environmental performance: one at the operational level and one at a more executive level.
Strategy	Climate targets defined at the IAG level and adopted by all Group airlines, including Scope 3 emissions. Sustainability is one of the key pillars of the company's strategic plan, Iberia Next Chapter. The company promotes innovation through Hangar 51, Iberia Lab, and forums such as South Summit. Green bond issued to finance the new fleet (A320neo and A350). Consolidated one- and three-year financial plans, including environmental considerations.	Further develop the identification and assessment of risks and opportunities, considering the company's business lines and their geographic distribution.
Risk management	Main climate-related risks identify by business area.	As part of the environmental management system (IEnvA) implemented in 2023, risk reviews are integrated into the company's operational activities.
Metrics and targets	Climate strategy with short-, medium-, and long-term targets in place. A portion of employee remuneration is linked to a target for reducing flight emissions intensity.	Strengthen the strategy to support the achievement of established objectives. Refine indicators to better track identified risks and opportunities.

Managing the economic risks associated with climate change.

The table below outlines the main climate-related risks identified by the company, in line with the recommendations of the TCFD framework. As a next step, the company is working on defining a specific timeframe for each of these risks.

TCFD	Risk	How Iberia builds resilience
Market risk	Fuel price fluctuations.	Strategy to reduce the impact of price spikes, carbon pricing on the fleet, and financial planning.
	Changes in consumer preferences.	Ongoing market analysis and tracking of potential preferences. Frequent updating of the services offered by the company.
	Perception of aviation sector progress on CO2 emissions.	Continue to contribute to the objectives included in the climate strategy and increase communications with customers in this regard. Strengthen transparency in the disclosure of non-financial information.
	Viability of carbon offset projects.	Strategy to avoid fuel price spikes, governance to ensure quality of offsets, and offsetting roadmap based on external evidence, and advocacy in support of policies and monitoring frameworks.
Regulatory risk	Carbon pricing mechanisms: EU ETS and CORSIA.	Strategy to reduce the impact of fuel price spikes, fuel prices, carbon price and financial planning.
	EU Fit for 55. Lack of infrastructure or political support for SAF (Sustainable Aviation Fuel).	Definition of an ambitious sustainability strategy to enable the decarbonisation of operations. Support the implementation of policies that encourage the production and consumption of SAF and define strategy for SAF consumption in regions where there is a supportive policy.
Technological risk	SAF shortages.	Ensure SAF supply agreements and take decisions on early-stage projects where applicable.
Reputational risk	Sector stigmatisation.	Continue contributing to the objectives included in the climate strategy and increase communication with customers in this regard. Strengthen the transparency in the disclosure of non-financial information.
Acute physical risks	Increased severity and frequency of extreme weather events.	Existing operational resilience processes.
	Impact of climate on operations.	Existing operational resilience processes.
	Acute risk resilience.	Review of route network planning and potential deployment of mobile assets in different locations.
Chronic physical risks	Change in wind patterns and windstorms.	Existing operational resilience processes, and review of existing flight plans.
	Sea level rise.	Analysis of potentially affected destinations and facilities.
	Reduced flights to chronically affected destinations.	Destination network planning will be reviewed.
	Increased frequency and persistence of droughts.	Existing operational resilience processes and review of route network planning.

As a key component of its risk management system, Iberia is continuously working to quantify the impact of environmental risks and to update its risk mitigation plans.

TCFD	Opportunity
Opportunities: energy sources	Use of energy that generate fewer emissions.
Opportunities: technology	New generation aircraft. Green electricity and hydrogen solutions.
Opportunities: products and services	Changing consumer preferences.
Opportunities: resilience	Participation in research programmes. Fleet renewal.
Opportunities: market	Implementation of the Single European Sky (SES). Diversification of SAF supply. Financing the green transition.

Glossary.

Avios: Avios is the shared currency of the Iberia and British Airways loyalty programmes. Iberia customers who are members of the Iberia Plus programme can earn Avios when they fly with Iberia Group airlines or when they use the products and services of programme partners. Avios can be redeemed for flights, hotel stays, car hire, and more.

CORSIA: The International Civil Aviation Organization (ICAO) has defined two global objectives for the sector: a 2% annual improvement in fuel efficiency through to 2050, and carbon-neutral growth from 2020 onwards. To achieve these targets and support the sustainable growth of international aviation, ICAO is implementing a set of measures including technological and operational improvements, sustainable aviation fuels, and market-based measures such as those outlined in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

CORSIA is the first global market-based measure for any sector and represents a cooperative approach that moves away from a patchwork of national or regional regulatory initiatives. It offers a harmonised method for reducing emissions from international aviation, while minimising market distortion and respecting the special circumstances and respective capabilities of ICAO member states.

CORSIA complements other elements of the basket of measures by offsetting the volume of CO₂ emissions that cannot be reduced through technological improvements, operational enhancements or sustainable aviation fuels, using carbon market emission units.

CSRD: The Corporate Sustainability Reporting Directive (CSRD) is European Union legislation requiring companies within member states to report on the environmental and social impacts of their activities. The directive came into force on the 5th of January 2023.

EASA-147 Training Centre: An EASA-147 approved Aviation Maintenance Training Centre complies with European aviation safety standards. These standards cover aspects such as curriculum, facilities, and teaching staff. Iberia Maintenance's training centre offers programmes that meet the requirements of both the European Aviation Safety Agency (EASA) and the Spanish Aviation Safety Agency (AESA).

EcoVadis: The EcoVadis sustainability intelligence suite is a comprehensive solution for sustainable supply chains, covering the full spectrum of sustainability risk management and performance. It offers tools such as large-scale risk screening and mapping across the supply chain, reliable scorecards with actionable ratings, and end-to-end management of audits and improvement processes.

EU ETS: The European Union Emissions Trading System (EU ETS) has applied to the aviation sector since 2012 (Directive 2008/101/EC). Under this emissions scheme, the European Union sets a cap on aviation emissions based on the 2004–2006 reference period.

Until 2023, the EU ETS applies to all domestic flights and flights between airports within the European Economic Area (EEA), excluding in both cases flights to and from outermost regions (Regulation (EU) 2017/2392).

Each year, airline operators must submit an emissions report to the relevant authority — in Iberia's case, to the Ministry of Transport and the Spanish Office for Climate Change — certifying the emissions generated from flights subject to the EU ETS. Operators must then officially surrender a number of emissions allowances equivalent to the total emissions reported.

Fit for 55: Fit for 55 is the name given to the European Union's climate legislative package. It comprises of a set of proposals aimed at revising and updating existing EU legislation and introducing new initiatives to ensure that EU policies are aligned with the climate targets agreed by the European Council and Parliament. The name Fit for 55 refers to the EU's target of reducing greenhouse gas emissions by at least 55% by 2030.

IEEnvA: In 2023, Iberia obtained IEnvA Certification (IATA Environmental Assessment). This is a voluntary programme developed by IATA to independently assess an airline's commitment to improving its environmental performance. Based on the standards and best practices of ISO 14001 (Environmental Management), IEnvA adapts these requirements specifically to the aviation sector, using IATA's expertise and incorporating models from other systems such as IOSA (Safety), to align governance, supervision, and control processes with sector-specific needs.

IPCC: The Intergovernmental Panel on Climate Change (IPCC), established in 1988, provides comprehensive assessments of the scientific, technical and socio-economic knowledge on climate change, its causes, potential impacts and possible responses.

Low Cost: A low-cost airline or carrier offers lower fares by eliminating or charging separately for services that traditional airlines typically include in the ticket price.

SAF (Sustainable Aviation Fuel): SAF is the primary term used by the aviation industry to describe non-conventional (non-fossil-derived) aviation fuel. It is the term preferred by IATA, although others are also in use, such as sustainable alternative fuel, renewable aviation fuel, or biojet.

"Biofuels" are generally understood to be fuels derived from biological resources (plant or animal matter). However, current technology allows fuel to be produced from other alternative sources, including non-biological resources, which is why the generic term SAF is used. Chemically and physically, SAF is nearly identical to conventional aviation fuel, and it can be safely blended with traditional jet fuel in varying proportions using existing supply infrastructure. It requires no modifications to aircraft or engines. Fuels with these characteristics are referred to as "drop-in" fuels, meaning they can be used directly in existing airport refuelling systems. This definition is available on the IATA website.

These fuels are currently made primarily from waste materials, such as used cooking oil, which absorb CO₂ during their growth cycle. That carbon is then recycled into fuel and released during flight. While SAF emits a similar amount of carbon dioxide during combustion as conventional jet fuel, the carbon comes from within the existing carbon cycle, rather than being extracted from fossil sources. As a result, SAF can significantly reduce lifecycle carbon emissions compared to traditional aviation fuel.

SEDEX: SEDEX is a platform that helps companies manage and improve sustainability practices within their supply chains.

Single European Sky (SES): The Single European Sky (SES) is a regulatory initiative launched by the European Union in 2004 with the primary goal of restructuring the continent's air traffic management system to promote more efficient air transport. SES aims to harmonise and improve the efficiency of air navigation services across the EU by increasing air traffic control capacity, enhancing safety, reducing the fragmentation of European airspace, improving the integration of military operations into civilian airspace, and facilitating the adoption of new technologies.

TCFD: The Task Force on Climate-related Financial Disclosures (TCFD) provides a global framework to help companies disclose climate-related risks and opportunities transparently. In 2022, Iberia adopted these guidelines, in line with IAG's reporting strategy.

Watershed: Watershed is a platform that supports companies in measuring, reporting, and reducing their carbon emissions, helping them to meet sustainability goals.



Sustainability Report
*two thousand
and twenty-four*

Content

Sustainability Directorate

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